UBER gideon lens

Uber Technologies, Inc. (UBER) - Gideon-Lens Equity Research

Date: 2026-06-26. Analyst: Codex ER2. Current price: $72.25. Fiscal year end: December 31. Latest completed quarter: Q1 2026, ended 2026-03-31. Market data and valuation are in USD.

Dashboard Summary

Verdict | PASS Management gate | PASS Moat gate | YELLOW P/E gate | PASS Compounder Score | Audited 56 / 100 Business Quality Score | Audited 52 / 80 20% Return UW Score | Audited 4 / 20

VERDICT BLOCK

Verdict: PASS

Scorecard:

Gate	Result	Notes
Management	PASS	Dara-led turnaround, coherent capital allocation, clean governance, monitor AV/Freight
Moat	YELLOW	Real Mobility/Delivery liquidity, but 2046 durability unresolved
P/E <= 15 on confident EPS at TTM + 5 calendar years	PASS	Base EPS $6.92, 43.7% cushion at $72.25
Compounder Score	Audited 56 / 100	Reject as 20% compounder; diagnostic only
Business Quality Score	Audited 52 / 80	Improving quality, not yet clean high-ROIIC durability
20% Return UW Score	Audited 4 / 20	P/E 15 passes, but 20% return math fails

One-line thesis (or reason to pass): Uber clears the five-year P/E 15 math on base-case earnings power, but the moat/2046 gate remains YELLOW and the audited 20% return lens rejects the current price, so this is a disciplined PASS rather than a BUY.

Kill / trigger criteria:

- BUY trigger: price below roughly $41.75 if underwriting to the audited 20% return lens, or below $62.30 for a 30% cushion to base EPS x 15.
- PASS triggers: Mobility revenue grows below 8% YoY while Mobility Gross Bookings grow at least 15% YoY for two quarters; Mobility Segment Operating Income margin falls below 25.0%; Delivery margin expansion stalls below 18.5%; net diluted share count fails to decline despite buybacks.
- Upgrade to BUY conditions: Moat improves from YELLOW to PASS through disclosed AV economics, stable Mobility take rate, Delivery margin proof, and sustained net share reduction, while price remains below the P/E 15 trigger.

Position sizing if bought: 0% today. If upgraded and bought, cap at 2% of equity book until AV economics and the 2046 durability question are less ambiguous.

Stage 0 - Time Anchor

Today is 2026-06-26. Uber's fiscal year ends on December 31. The most recently reported quarter is Q1 2026, ended 2026-03-31. The TTM anchor is Q2 2025 + Q3 2025 + Q4 2025 + Q1 2026, ending 2026-03-31. The forward horizon is TTM plus exactly five calendar years, or 2031-03-31. Every "FY+5" reference in this report means that horizon date, not FY2025 plus five fiscal years.

Stage 1 - Disqualifier Sweep

ROIC is YELLOW: profitability and FCF have inflected, but Uber does not yet show a long, clean 15%+ ROIC record. FCF conversion is GREEN: TTM FCF was $9.799B versus GAAP net income of $8.540B. Leverage is GREEN/YELLOW: the balance sheet is manageable, but debt, leases, and buyback use of cash still matter. End-markets are GREEN: Mobility and Delivery remain growing large markets. Governance is GREEN/YELLOW: no control structure or related-party issue emerged, but SBC and incentive design need monitoring. AI/autonomy disruption is YELLOW: AV can expand supply but can also shift bargaining power away from Uber. Pricing power is YELLOW: marketplace density and brand help, but consumer, merchant, driver, and regulatory pressure cap confidence.

Management

Management passes. Dara Khosrowshahi owns the current strategy and the observable turnaround from cash burn to scaled free cash flow. FY2025 revenue reached $52.017B, FY2025 operating income was $5.565B, and TTM free cash flow was $9.799B. Capital allocation is coherent: low capex intensity, disciplined R&D scaling, buybacks, bolt-on M&A, and partner-led AV rather than balance-sheet-heavy fleet ownership. The 2026 proxy improves alignment through EPS, Non-GAAP Operating Income growth, SBC discipline, PRSUs, safety, ownership guidelines, hedging bans, and clawbacks. The caveat is that compensation still lacks a direct ROIC or FCF-per-share center. The monitor list is concrete: keep AV partner-led, reduce diluted share count after SBC, preserve CFO continuity, and make Freight earn its capital or shrink it.

Moat

Moat is YELLOW, and the 2046 test is also YELLOW. Uber has real local marketplace liquidity in Mobility: dense demand, driver utilization, ETA reliability, payments, safety, brand trust, regulatory operations, and cross-platform frequency. Delivery is becoming more defensible through Uber One, advertising, batching, grocery/retail, and shared demand, but merchant and consumer multi-homing cap confidence. Freight does not clear a moat test and is treated as an option rather than a profit pool. The 2046 version of Uber can be specific: the demand, dispatch, payments, support, regulatory, and fleet-operations layer for hybrid human and autonomous mobility plus local commerce. That is plausible. It is not a clean PASS because AV suppliers may own the highest-value future supply, labor rules can reset economics, and switching costs remain low.

Stage 5 Synthesis

The synthesis uses the corrected homogeneous TTM Segment Operating Income bridge from the Q1 2026 supplemental, not a mixed adjusted EBITDA / segment operating income base. TTM segment revenue is Mobility $29.972B, Delivery $18.539B, and Freight $5.176B, tying to consolidated TTM revenue of $53.687B. TTM segment operating profit is Mobility $7.649B, Delivery $3.443B, Freight -$0.114B, and corporate allocation -$3.968B, tying to Non-GAAP Operating Income of $7.010B.

The base case reaches 2031 revenue of $96.082B, operating income of $18.200B, net income of $13.744B, and EPS of $6.92. Required EPS for a P/E of 15 at $72.25 is $4.8167, so base-case EPS x 15 equals $103.83 and creates a 43.7% cushion. All 11 synthesis tie-out checks passed. Bear EPS is $4.39 and fails the P/E 15 gate by 8.9%, while bull EPS is $9.06 and clears with an 88.1% cushion. The price gate therefore passes on base case, but the base case depends on Mobility retaining value capture, Delivery margin expansion, and corporate overhead scaling.

Case	Revenue ($B)	OI ($B)	NI ($B)	EPS	EPS x 15	vs. $72.25
Bear	79.909	11.667	8.714	$4.39	$65.83	-8.9%
Base	96.082	18.200	13.744	$6.92	$103.83	43.7%
Bull	108.865	23.712	17.989	$9.06	$135.89	88.1%

The audited diagnostic score is much less generous than the ER2 P/E gate. Compounder Score is 56/100, Business Quality is 52/80, and 20% Return Underwriting is 4/20. The score audit found no arithmetic break in the P/E 15 gate, IRR, max buy price, EV/NOPAT, or share-count mechanics, but it cut the score because ROIIC is not cleanly calculated, AV economics and product-level economics are missing, moat/2046 are YELLOW, and the base 15x exit IRR is only about 7.5%. The audited score implies that Uber is neither a dream business nor a dream investment under the 20% rubric today.

Red Team

The strongest bear argument is that Uber can remain highly relevant while Mobility value capture deteriorates as AV suppliers, insurance, regulation, incentives, and driver economics absorb the incremental bookings. The most likely optimistic Stage 5 number is Mobility base revenue of $52.821B because Q1 2026 bookings grew far faster than Mobility revenue. Delivery's 22.5% margin path is not proven without product-level economics for grocery, retail, ads, Uber One, and churn. The

red-team exit signal is clear: over the next two quarters, Mobility revenue growth below 8% YoY while Gross Bookings grow at least 15% YoY, plus Mobility Segment Operating Income margin below 25.0% in either quarter.

Analyst Flags

Product revenue inside Mobility and Delivery is not separately disclosed, so sub-line modeling relies on reportable-segment revenue and qualitative KPI levers. Uber One profitability/churn, AV unit economics, partner revenue share, and mature-market AV contribution are not disclosed. Freight load-level economics, net revenue, purchased transportation cost, shipper count, carrier count, and forward margin detail are incomplete. Clean organic and acquisition-inclusive ROIIC remain unproven. The final ER2 verdict is PASS because Management is PASS and P/E 15 is PASS, but Moat and 2046 remain YELLOW; under the verdict template, that unresolved durability prevents BUY/WATCH conviction despite attractive five-year P/E math.

Appendix A - Company Primer

Uber Technologies, Inc. (UBER) - Appendix A Primer

Prepared for: Production Mode ER2 / Gideon equity research Prepared by: Sub-Agent A Date: 2026-06-26 Fiscal year convention: FY ends December 31 TTM anchor: Q2 2025 + Q3 2025 + Q4 2025 + Q1 2026, ending 2026-03-31 Forward horizon: 2031-03-31

This primer is an orientation document, not the quantitative source of truth. All financial numbers used here come from `quant_foundation.md` and its cleared QFR review unless explicitly labeled as management commentary or official-source context. The core official sources used for business, strategy, and risk context are Uber's FY2025 Form 10-K, Q1 2026 Form 10-Q, Q1 2026 earnings release and supplemental data, Q1 2026 prepared remarks, and official investor-relations releases on autonomous vehicles.

1. Business overview

Uber is a global technology platform for local movement. It connects consumers who want transportation, meals, groceries, retail goods, or logistics services with earners and service providers who can fulfill that demand. In its FY2025 Form 10-K, Uber describes itself as a platform that develops and operates proprietary technology applications supporting a variety of offerings, including ride services, delivery services, public transportation connections, and freight brokerage / transportation management services. Its technology was available in more than 70 countries at year-end 2025, principally across the United States and Canada, Latin America, Europe, the Middle East, Africa, and Asia Pacific outside China and Southeast Asia. [Uber FY2025 Form 10-K](https://www.sec.gov/Archives/edgar/data/1543151/000154315126000015/uber-20251231.htm)

The simplest way to understand the business is to separate the marketplace from the services fulfilled through it. Uber does not usually own the car, restaurant, grocery store, or freight carrier asset. Instead, it owns the demand interface, matching engine, payments flow, dispatch logic, trust and safety layer, pricing algorithms, consumer and earner apps, and marketplace operating data. The demand side is made up of Riders, Eaters, consumers, merchants, shippers, and enterprise customers. The supply side is made up of Mobility drivers, couriers, merchants, restaurants, grocers, retailers, freight carriers, autonomous vehicle partners, fleet operators, and logistics providers. Uber monetizes by taking a platform fee, merchant fee, service fee, advertising fee, subscription fee allocation, freight brokerage margin, or gross transportation revenue depending on the jurisdiction and product structure.

The core product experience is built around immediacy and reliability. A consumer opens an app, expresses intent, receives price and timing information, and completes the transaction through Uber's payments infrastructure. For a ride, Uber matches a rider with a driver or, increasingly in some markets, an autonomous vehicle partner. For delivery, Uber connects an eater or shopper with a merchant and a courier, or enables white-label merchant delivery through Uber Direct. For freight, Uber connects shippers to carriers and provides transportation management and logistics services. The user sees a single front door; underneath it are several marketplaces with different take rates, cost curves, and regulatory exposures.

Uber's marketplace model is two-sided in Mobility, three-sided in Delivery, and more enterprise-oriented in Freight. Mobility balances rider demand against driver supply. Delivery balances consumers, merchants, and couriers. Freight balances shippers, carriers, and managed transportation workflows. The company benefits when demand density, supply liquidity, pricing accuracy, and transaction frequency reinforce each other. In dense markets, better nearby supply should improve ETA, fulfillment reliability, and consumer conversion, while higher demand improves earner utilization. This loop is the core of the bull case, but insurance, incentives, regulation, merchant competition, and local density can still absorb scale benefits.

Uber's customer set is broad. Consumers buy rides, meals, grocery items, retail items, and local services. Drivers and couriers use the platform to earn income and manage time. Restaurants, grocers, retailers, advertisers, and enterprise customers use Uber to reach demand, provide fulfillment, or manage transportation. Shippers use Freight to access capacity and logistics technology. For the ER2 model, this matters because Uber is not a single app with one unit economic profile. It is a portfolio of related marketplaces sharing audience, mapping, payments, dispatch, support, brand, trust systems, and regulatory capabilities.

2. Revenue architecture

Uber reports three operating and reportable segments: Mobility, Delivery, and Freight. FY2025 revenue was $52.017 billion. TTM revenue through Q1 2026 was $53.687 billion. The segment table below uses QF as the source of truth and treats

FY2025 Segment Adjusted EBITDA as historical context only. For the TTM profitability base, the model must use Uber's homogeneous Q1 2026 supplemental Segment Operating Income bridge, not a mixed bridge of old Adjusted EBITDA and new operating income.

Segment	FY2025 revenue	FY2025 % of total	TTM revenue	TTM % of total	TTM Segment Operating Income / loss
Mobility	$29.670B	57.0%	$29.972B	55.8%	$7.649B
Delivery	$17.248B	33.2%	$18.539B	34.5%	$3.443B
Freight	$5.099B	9.8%	$5.176B	9.6%	-$0.114B
Corporate G&A and Platform R&D	n/a	n/a	n/a	n/a	-$3.968B
Total / Non-GAAP Operating Income	$52.017B	100.0%	$53.687B	100.0%	$7.010B

Mobility is the largest segment. It includes ridesharing and related transportation modalities such as carsharing, micromobility, rentals, public transit connections, taxis, financial partnership products, and advertising. Economically, Mobility is the highest-profit core marketplace because the product is high-frequency, supply can reposition dynamically, the transaction is standardized, and density improves ETAs and driver utilization. FY2025 Mobility revenue was $29.670 billion, up 18% from FY2024 according to QF and Uber's 10-K segment table. TTM Mobility revenue was $29.972 billion, and TTM Segment Operating Income was $7.649 billion. That implies this segment is the main engine of current segment profit, even after accounting for driver payments, incentives, insurance, payment costs, support, and local operations.

Delivery is the second-largest segment and includes Uber Eats, Grocery & Retail, convenience, alcohol where permitted, pickup, delivery, Uber Direct, and advertising. Uber describes Delivery as local commerce: consumers discover merchants, place orders, and either pick up or receive delivery; merchants access demand and logistics; couriers fulfill the order. FY2025 Delivery revenue was $17.248 billion, or 33.2% of total revenue. TTM Delivery revenue was $18.539 billion, and TTM Segment Operating Income was $3.443 billion. Delivery's economics are more complex than Mobility because Uber must balance consumer fees, merchant commission, courier costs, promotions, ad monetization, order batching, selection, delivery time, and merchant value proposition. The segment is now meaningfully profitable, but its durability depends on whether advertising, membership, order density, and grocery / retail can offset competition and fulfillment cost pressure.

Freight is smaller and structurally different. It connects shippers and carriers through a digital brokerage and logistics platform and includes transportation management and related services. FY2025 Freight revenue was $5.099 billion, or 9.8% of total revenue, down slightly from FY2024. TTM Freight revenue was $5.176 billion, and TTM Segment Operating Income was negative $114 million. Freight is closer to a logistics and brokerage spread business than a pure consumer marketplace. Revenue can be gross or near-gross depending on contractual structure, carrier payments are a major cost, and the market is cyclical. Freight could matter strategically if Uber can link multi-day logistics, same-day delivery, enterprise fulfillment, and local commerce, but the current financial base is not yet an earnings driver.

Corporate G&A and Platform R&D are not revenue segments but are central to consolidated profitability. Uber allocates shared finance, accounting, tax, HR, IT, legal, mapping, payments, support infrastructure, and platform R&D outside the reportable operating segments. QF's corrected TTM bridge uses Corporate G&A and Platform R&D of negative $3.968 billion. That is the consolidated scalability hurdle: Mobility and Delivery must keep growing segment profit faster than central costs, while AV, AI, insurance reform, compliance, and product expansion require continued investment.

3. Unit economics

Uber's unit economics start with Gross Bookings, not revenue. Gross Bookings measure the total dollar value of rides, delivery orders, and freight revenue before many reductions such as driver and merchant earnings, incentives, discounts, taxes, tolls, and fees. Revenue is the portion Uber recognizes after considering whether it is acting as agent or principal. In many Mobility and Delivery arrangements, Uber is an agent and reports revenue net of driver or merchant earnings and certain incentives. In some markets and in most Freight services, Uber is responsible for the service and reports revenue gross, with payments to drivers, couriers, or carriers recorded in cost of revenue. The Q1 2026 10-Q explains that the UK Mobility business model change shifted certain driver payments from cost of revenue to contra-revenue beginning January 2, 2026; management said this created a revenue headwind but did not change underlying economics. [Uber Q1 2026 Form 10-Q](https://www.sec.gov/Archives/edgar/data/1543151/000154315126000022/uber-20260331.htm)

The key bridge is therefore: Gross Bookings -> revenue recognition / take rate -> Platform Participant direct transaction costs -> other segment costs -> segment operating profit -> corporate allocation -> GAAP operating income and free cash flow.

Platform Participant direct transaction costs primarily include costs paid to platform earners and incentives to end users. Other segment costs include insurance, payment fees, support, technology, operating employees, marketing, fraud / chargebacks, depreciation and related support costs. This is why a simple revenue multiple or reported revenue growth rate can mislead: accounting changes, market mix, incentives, insurance, and gross-vs-net presentation can move reported revenue without changing consumer demand.

Mobility's unit economics are driven by take rate, driver supply, pricing, insurance, payments, and density. On a ride, the consumer pays a fare. A driver receives the largest share of the fare. Uber recognizes its portion depending on local accounting and regulatory structure. From that revenue, Uber absorbs insurance costs, payment processing costs, support, marketplace operations, brand marketing, product and engineering support, and local regulatory costs. The best Mobility markets should show short ETAs, high driver utilization, low cancellation rates, stable or improving price / service perception, and limited incremental incentive spend. Density is central: if driver idle time falls and rider wait time improves, Uber can often grow trips without proportionate marketing or support growth. The offset is insurance, especially in markets where claims cost per mile rises faster than bookings, and regulation, where driver classification or minimum earnings rules can raise cost or alter revenue presentation.

Delivery's unit economics are driven by merchant commission, consumer fees, courier pay, promotions, batching, delivery time, advertising, and membership. A delivery order can monetize through delivery fees, service fees, merchant marketplace fees, ad revenue, and subscription economics allocated through Uber One. Costs include courier payments and incentives, consumer promotions, merchant support, refunds, payment processing, insurance, customer support, and local operations. Advertising is important because it can add high-margin revenue on top of the order marketplace. Uber's 2025 10-K notes that Delivery's FY2025 revenue growth included a $568 million increase in advertising revenue, and the Q1 2026 10-Q notes a further $180 million increase in Delivery advertising revenue year over year.

Freight's unit economics are more spread-like. A shipper pays for freight capacity or managed transportation service. Uber arranges capacity with a carrier, provides technology and logistics visibility, and records the relevant revenue and carrier payments. The segment competes with established brokers and logistics providers, so gross margin depends on shipper demand, carrier supply, contract terms, spot market conditions, service levels, automation, and scale. Unlike consumer Mobility, Freight does not yet have obvious evidence of durable high segment margins. QF's TTM bridge shows negative Segment Operating Income of $114 million. The ER2 segment agent should therefore treat Freight as an option on platform and logistics integration, not as a proven compounder until profitability and cycle resilience improve.

The Q1 2026 metric change matters. Uber changed its segment operating performance measure from Segment Adjusted EBITDA to Segment Operating Income beginning in Q1 2026, and comparable periods were recast. Segment Operating Income excludes certain non-cash items or items management does not believe reflect ongoing core operations, but it is closer to operating profit than the old Segment Adjusted EBITDA measure. QF's critical correction is that all TTM segment profitability must be homogeneous: Q2 2025, Q3 2025, Q4 2025, and Q1 2026 Segment Operating Income from the Q1 2026 supplemental data. The resulting TTM bridge is Mobility $7.649 billion, Delivery $3.443 billion, Freight negative $0.114 billion, Corporate G&A and Platform R&D negative $3.968 billion, and Non-GAAP Operating Income $7.010 billion. Mixing old Segment Adjusted EBITDA for Q2-Q4 2025 with Q1 2026 Segment Operating Income would overstate the profit base and contaminate the 2031 underwriting.

4. Competitive landscape

Uber competes in large, local, fragmented markets with different competitive sets by segment. In Mobility, substitutes include personal vehicle ownership, walking, cycling, public transit, taxis, livery, local ride-hail operators, and competing apps. Uber's 10-K names Bolt, Didi, Lyft, and Ola as rideshare competitors, and it also identifies autonomous vehicle companies such as Waymo, Zoox, and Tesla as current or potential competitors. The key competitive variables are supply liquidity, consumer app habit, price, wait time, safety, reliability, coverage, regulatory position, and product breadth.

In Delivery, competitors include DoorDash, Instacart, Gopuff, Rappi, Delivery Hero, Just Eat Takeaway, Amazon, restaurants' own delivery and pickup, meal-kit delivery, grocery delivery, and traditional grocers. Delivery competition is local, category-specific, and merchant-specific. A restaurant may care about demand generation; a grocery partner may care about basket size, substitutions, speed, and economics; a consumer may care about selection, delivery time, fees, reliability, and membership benefits. Uber's advantage is cross-platform demand and mobility footprint; its disadvantage is that local incumbents are strong and fulfillment costs can consume scale gains.

In Freight, Uber competes with global and North American freight brokers and managed transportation providers, including C.H. Robinson, Total Quality Logistics, RXO, XPO, Echo Global Logistics, and DHL. This market is operationally demanding

and cyclical. Technology can improve matching, automation, and visibility, but shipper relationships, service quality, carrier density, and pricing discipline still matter. Freight is not yet a high-return marketplace on the current numbers, so competitive analysis should focus on whether Uber can produce structural cost advantages or differentiated enterprise integration rather than simply grow revenue.

Autonomous vehicles are both a threat and an opportunity. If AV providers own the consumer relationship and can offer lower prices without Uber, Mobility economics could be disrupted. If Uber remains the dominant demand aggregator and operating layer for AV fleets, autonomy could expand supply, lower prices, improve reliability, and create new profit pools. Uber's current strategy is partner-heavy and capital-efficient. Official 2026 materials describe Uber Autonomous Solutions as infrastructure, user-experience, and fleet-operations capabilities for AV partners, including data, mapping, regulatory support, fleet operations, customer support, and AV-specific insurance. [Uber Autonomous Solutions release](https://investor.uber.com/news-events/news/press-release-details/2026/Uber-Unveils-Uber-Autonomous-Solutions-to-Accelerate-Autonomous-Mobility--Delivery-Worldwide/default.aspx)

5. Growth drivers

The first growth driver is audience and trip growth. Q1 2026 MAPCs were 199 million, up 17% year over year, and Trips were 3.643 billion, up 20% year over year. Gross Bookings were $53.720 billion in Q1 2026, up 25% reported and 21% constant currency. Management framed Q1 growth as driven mainly by user-base expansion followed by engagement, with modest pricing contribution from mix. These details matter because a durable compounder should show growth from more users and more usage, not just price or accounting.

The second driver is cross-platform engagement and membership. Uber One is the central loyalty program across rides, delivery, grocery, and retail. Uber's 2025 10-K said Uber One had reached 46 million members at December 31, 2025 and was available in more than 30 countries. In Q1 2026, management said Uber One surpassed 50 million members globally and that members generated roughly half of Mobility and Delivery Gross Bookings. Management also said only about one in five eligible consumers were active monthly across both Mobility and Delivery, while the ratio nearly doubled among Uber One members. If true and sustainable, that gives Uber a long runway to improve frequency, retention, and consumer lifetime value without acquiring each trip separately.

The third driver is advertising. Uber launched its advertising division in 2022 and now sells marketplace-centric ad formats across Uber and Uber Eats. Advertising improves the merchant and brand monetization layer: merchants can pay for placement, brands can sponsor offers, and Uber can monetize intent inside high-frequency local commerce. Delivery's FY2025 and Q1 2026 advertising growth suggests ads are already material to revenue growth. Segment agents should test whether advertising can continue growing without impairing consumer trust or merchant ROI.

The fourth driver is Grocery & Retail and broader local commerce. Delivery is no longer only restaurant meals. Uber's prepared remarks described Grocery & Retail as growing significantly faster than restaurant delivery, supported by selection, product innovation, consumer awareness, and partnerships including Kroger and Ace Hardware. This expands the addressable use cases from dinner to recurring household replenishment, convenience, pharmacy-like needs where permitted, retail pickup, and personal shopping. The risk is that grocery and retail baskets can have lower margins, higher substitution complexity, and stronger incumbent competition than restaurant delivery.

The fifth driver is enterprise and direct fulfillment. Uber for Business, Uber Direct, Uber Health, and Freight-style logistics can use the same platform primitives for enterprise workflows. Management said in Q1 2026 prepared remarks that Uber for Business generated well over $5 billion of high-margin annualized Gross Bookings, served well over 300,000 organizations globally, and targeted more than $10 billion of Gross Bookings by 2028. Those claims are management commentary and should be underwritten separately, but they indicate an important strategic path: Uber can sell reliability, data, billing, policy controls, and fulfillment into enterprise channels rather than relying only on consumer app demand.

The sixth driver is international expansion and product localization. Uber operates across more than 70 countries, but penetration and product mix vary widely. The model should avoid treating the U.S. as the only maturity template: regulation, supply quality, insurance, consumer income, transit substitutes, and competition will drive different terminal margins.

The seventh driver is autonomous vehicle partnerships. Q1 2026 prepared remarks said Uber announced 10 new and expanded AV partnerships, launched Uber Autonomous Solutions, had AV Mobility trips up more than 10x year over year, was live in eight cities, and planned to expand to up to 15 cities by year-end. Official releases also describe partnerships with Rivian, Baidu Apollo Go, Motional, NVIDIA, Wayve / Nissan, Pony.ai / Verne, Volkswagen, WeRide, Lucid / Nuro, and others. The Rivian release is especially relevant to 2031 modeling because it described up to $1.25 billion of Uber investment through

2031, an initial 10,000 robotaxi phase, and potential scaling to 25 cities by 2031 subject to milestones and approvals. [Uber-Rivian release](https://investor.uber.com/news-events/news/press-release-details/2026/Uber-and-Rivian-Partner-to-Deploy-up-to-50000-Fully-Autonomous-Robotaxis-2026-TViR4R05gi/default.aspx)

6. Margin structure and scalability

Uber's consolidated margin structure has three layers. The first layer is marketplace contribution within each segment. This depends on take rate, payments to earners, incentives, insurance, support, payments, refunds, chargebacks, and local operations. The second layer is product and platform operating expense: engineering, mapping, payments, ML, support tooling, safety, compliance, marketing systems, and corporate functions. The third layer is capital allocation and below-the-line volatility: interest, taxes, equity investment revaluations, stock-based compensation, legal and regulatory reserves, acquisitions, and buybacks.

The QF base shows strong current cash conversion. TTM revenue was $53.687 billion, TTM GAAP operating income was $6.260 billion, TTM operating cash flow was $10.126 billion, and TTM free cash flow was $9.799 billion. Capex was only $327 million over the TTM period, which highlights the asset-light nature of the core platform. FCF conversion versus GAAP net income was elevated by equity investment revaluation and tax noise, but FCF conversion versus GAAP operating income was also high. This is a major underwriting point: if Uber can keep marketplace quality while holding capex low, growth can translate into cash at a high rate.

Scalability is strongest where incremental bookings require limited incremental support, marketing, and insurance per transaction. Mobility has the clearest evidence today, with TTM Segment Operating Income of $7.649 billion. Delivery is scaling quickly, with TTM Segment Operating Income of $3.443 billion and advertising as a potential mix enhancer. Freight is not yet scalable on the current proof, with a negative TTM operating bridge. Corporate G&A and Platform R&D are meaningful at negative $3.968 billion TTM, so consolidated margin expansion requires operating leverage in Mobility and Delivery to exceed central reinvestment in AV, AI, safety, compliance, insurance reform, and platform infrastructure.

Network effects are real but local. A ride marketplace with strong driver supply in New York does not directly guarantee supply in Tokyo or Sao Paulo, though Uber's brand, operating playbooks, app infrastructure, payments stack, maps, pricing engine, support systems, and enterprise relationships can travel. Delivery network effects are also local and category-specific. The long-term model should therefore underwrite city maturity, competitive behavior, regulatory cost, insurance rates, and density by segment rather than assume one global margin.

7. Capital allocation and balance sheet orientation

Uber is now a cash-generative platform rather than a cash-burning growth story. QF shows $6.091 billion of cash and short-term investments at March 31, 2026, total debt of $12.419 billion, liquidity-adjusted net debt of $6.328 billion, and TTM Adjusted EBITDA of $9.343 billion. Net debt / TTM Adjusted EBITDA was about 0.68x using cash plus short-term investments. That is modest leverage for a company generating $9.8 billion TTM free cash flow.

Capital allocation priorities are explicit in management's Q1 prepared remarks: reinvestment in growth, capital-efficient AV strategy, selective M&A, returning excess capital to shareholders, and maintaining a strong investment-grade balance sheet. The company repurchased about $3.0 billion of stock in Q1 2026 and had approximately $16.2 billion remaining under its repurchase authorization at March 31, 2026. The 10-Q also notes an April 16, 2026 acquisition of SpotHero for about $600 million, pointing to continued bolt-on M&A around mobility and trip adjacencies.

For ER2, the key capital allocation question is whether management can fund organic growth, AV partnerships, AI infrastructure, insurance reform, and M&A while shrinking the share count without weakening the balance sheet. Buybacks are attractive only if the 2031 EPS path is real and valuation is below intrinsic value. AV commitments, including the Rivian partnership, should be monitored as contingent capital calls tied to milestones rather than treated as capex.

8. Key risks

Regulation and labor classification are the first-order risks. Uber's 10-K and Q1 2026 10-Q both state that driver classification is challenged by courts, legislators, and agencies in the U.S. and abroad. If drivers or couriers must be classified as employees, workers, or quasi-employees, Uber could incur wage, overtime, benefits, tax, social security, penalty, and administrative costs and may lose flexible supply. Even when regulation preserves contractor status, minimum earnings floors, insurance benefits, and deactivation protections can raise costs.

Insurance is the second major risk, especially in Mobility. Insurance expense rises with miles driven, claim severity, and market-specific legal environment. Management described moderating insurance pressures in Q1 2026, but that is not the same as a permanent reset. If insurance cost per mile resumes rising, Uber may need to raise prices, lower driver earnings, absorb margin pressure, or use more promotions to sustain demand.

Competition remains intense. Mobility competes with cars, transit, taxis, local ride-hail, and AV platforms. Delivery competes with other delivery apps, grocery platforms, merchants' own channels, and offline pickup. Freight competes with large brokers and logistics providers. Competitors can use incentives, merchant subsidies, subscription bundles, exclusive partnerships, or vertical integration to pressure Uber's take rate and growth.

Autonomous vehicles are a dual risk. Uber could benefit if AV partners use Uber as the demand and operations layer. But if AV fleets build direct consumer relationships, control supply in high-value cities, or undercut human-driver prices outside Uber, the platform could lose bargaining power. The current partner strategy reduces technology risk but introduces dependency on partners' safety, regulation, capital, manufacturing, and deployment execution.

Demand cyclicality and mix matter. Travel, commute, restaurant delivery, grocery delivery, freight, and enterprise travel have different macro sensitivities. Freight is particularly cyclical and remains weak on profitability. Delivery can slow if consumers trade down or push back against fees. Mobility can be affected by employment, gas prices, weather, geopolitical disruptions, and urban travel patterns.

Legal, tax, and accounting complexity can distort reported results. Q1 2026 GAAP net income was reduced by a $1.5 billion pre-tax net headwind from equity investment revaluations, and UK regulatory / tax changes affected Mobility revenue presentation. These items do not necessarily change core economics, but they can change reported revenue, margins, cash timing, and investor perception.

9. What matters for the ER2 model

Segment agents should underwrite Uber from the TTM base, not FY2025 alone. The forward horizon is 2031-03-31, exactly five calendar years after the TTM anchor. The model must begin with QF's TTM revenue of $53.687 billion, TTM GAAP operating income of $6.260 billion, TTM free cash flow of $9.799 billion, and the homogeneous TTM Segment Operating Income bridge: Mobility $7.649 billion, Delivery $3.443 billion, Freight negative $0.114 billion, Corporate G&A and Platform R&D negative $3.968 billion, and Non-GAAP Operating Income $7.010 billion.

The most important Mobility variables are MAPC growth, trip frequency, Gross Bookings growth, take rate after UK and other accounting changes, insurance cost per mile, driver supply / utilization, incentive intensity, premium / enterprise mix, AV adoption, and segment operating margin. Mobility is the profit engine, so a small error in terminal margin can dominate the 2031 earnings model.

The most important Delivery variables are order growth, merchant count, Grocery & Retail penetration, ad revenue growth, courier cost per order, promotion intensity, batching and delivery-time improvement, Uber One attachment, merchant ROI, and margin expansion. Delivery is the clearest incremental upside if advertising and grocery / retail scale without degrading customer economics.

The most important Freight variables are gross bookings recovery, carrier payment spread, enterprise customer growth, automation, transportation management attach, cycle sensitivity, and path to sustained operating profit. Freight should not receive high terminal value credit until it proves positive and durable economics.

Corporate and capital variables are equally important. Segment profits must be reduced by central G&A and platform R&D, stock-based compensation, tax normalization, interest, legal / regulatory reserve items, AV investment, and share count. The 2031 EPS outcome depends not just on revenue growth but also on how much free cash flow is returned through buybacks, how much is reinvested, and whether AV capital commitments dilute or amplify platform returns.

The ER2 model should focus on four big questions. First, can Mobility keep compounding trips while expanding or defending margins despite insurance and AV disruption? Second, can Delivery become a high-quality local commerce and advertising business rather than a promotion-heavy logistics layer? Third, can corporate costs and platform R&D scale slower than segment profit while still funding AV and AI? Fourth, can buybacks and balance sheet discipline convert free cash flow into per-share value without masking deterioration in marketplace quality?

Source notes

- Quantitative Foundation: `C:\Users\Admin\OneDrive\GPT\ER 2.0\Uber Technologies\quant_foundation.md`.
- Quantitative Foundation Review: `C:\Users\Admin\OneDrive\GPT\ER 2.0\Uber Technologies\quant_foundation_review.md`.
- Uber FY2025 Form 10-K: https://www.sec.gov/Archives/edgar/data/1543151/000154315126000015/uber-20251231.htm
- Uber Q1 2026 Form 10-Q: https://www.sec.gov/Archives/edgar/data/1543151/000154315126000022/uber-20260331.htm
- Uber Q1 2026 earnings release: https://investor.uber.com/news-events/news/press-release-details/2026/Uber-Announces-Results-for-First-Quarter-2026/default.aspx
- Uber Q1 2026 supplemental data: https://s23.q4cdn.com/407969754/files/doc_earnings/2026/q1/supplemental-info/Uber-Q1-26-Earnings-Supplemental-Data.pdf
- Uber Q1 2026 prepared remarks: https://investor.uber.com/files/doc_earnings/2026/q1/transcript/Uber-Q1-26-Prepared-Remarks.pdf
- Uber Autonomous Solutions release: https://investor.uber.com/news-events/news/press-release-details/2026/Uber-Unveils-Uber-Autonomous-Solutions-to-Accelerate-Autonomous-Mobility--Delivery-Worldwide/default.aspx
- Uber-Rivian AV release: https://investor.uber.com/news-events/news/press-release-details/2026/Uber-and-Rivian-Partner-to-Deploy-up-to-50000-Fully-Autonomous-Robotaxis-2026-TViR4R05gi/default.aspx

Appendix M - Management Assessment

Uber Technologies, Inc. (UBER) - Management Assessment

Prepared by: Sub-Agent M Date: 2026-06-26 TTM anchor: 2026-03-31 Forward horizon: 2031-03-31 Primary sources reviewed: 2026 DEF 14A proxy; FY2025 Form 10-K; Q1 2026 Form 10-Q; Uber investor-relations leadership and board pages; Uber investor-relations earnings-call transcript PDFs for Q2 2024 through Q1 2026; February 2026 CFO-transition Form 8-K; data_package.md Sections 7 and 9 for capital allocation and corporate actions.

1. Leadership

Uber is run by a long-tenured operating CEO with a recently elevated internal CFO and a board that is now structured more like a mature large-cap technology company than the founder-controlled, pre-IPO Uber of the past. Dara Khosrowshahi is Chief Executive Officer and a director. He joined Uber in 2017 after leading Expedia, so the current strategy, culture reset, product portfolio, profitability pivot, autonomous-vehicle partnership strategy, buyback posture, and transition from growth-at-any-cost to free-cash-flow compounding are all his to own. This is not a new-CEO situation where investors have to infer philosophy from a few quarters of language. Dara has had enough time in-seat to show how he behaves through a hard period, including the post-pandemic recovery, delivery normalization, freight weakness, regulatory fights, insurance-cost inflation, and the renewed autonomous-vehicle threat.

Balaji Krishnamurthy became Chief Financial Officer effective February 16, 2026, succeeding Prashanth Mahendra-Rajah. The transition was announced in Uber's February 2026 Form 8-K and Q4 2025 earnings materials. The filing states that Mahendra-Rajah would step down as CFO, Balaji would assume the role, and Mahendra-Rajah would remain as Senior Finance Advisor reporting to Dara through July 1, 2026. This is a watch item because a CFO transition matters just as Uber is scaling repurchases and AV commitments, but it is not a red flag by itself. Balaji is an internal promotion, not an outsider brought in after accounting stress. Uber's proxy says he was promoted from Vice President, Strategic Finance after more than six years at the company. Uber's leadership page says his remit includes financial strategy, capital allocation, accounting, tax, treasury, and investor relations. He was also already visible to investors before becoming CFO: the Q1 2025 earnings-call transcript identifies him as Vice President, Investor Relations and Chief Financial Officer, Mobility and Delivery, and he opened the Q1 2025 call.

The material operating leaders include Andrew Macdonald, President and Chief Operating Officer; Pradeep Parameswaran, Head of Mobility; Susan Anderson, Head of Delivery; Sarfraz Maredia, Head of Autonomous Mobility and Delivery; Madhu Kannan, Chief Business Officer; Sachin Kansal, Chief Product Officer; and Praveen Neppalli Naga, Chief Technology Officer. This matters because Uber's strategy is increasingly cross-platform: Mobility, Delivery, advertising, Uber One, enterprise, autonomous, and AI cannot be managed as disconnected silos. The Q2 2025 call explicitly framed Andrew Macdonald's COO role as a structural fix, with Mobility and Delivery leaders and cross-platform efforts such as advertising and autonomous reporting through him. That is a coherent organizational response to the strategic need.

The board has an independent chair, Ronald Sugar, and the 2026 proxy states that the chair and CEO roles must be held by separate people and that the chair must be independent. Dara is the only non-independent director identified in the proxy. The board nominees listed for 2026 include Ronald Sugar, Revathi Advaithi, Turqi Alnowaiser, Nikesh Arora, Ursula Burns, Robert Eckert, Amanda Ginsberg, Dara Khosrowshahi, John Thain, and Alexander Wynaendts. The proxy states that the board determined all listed directors except Dara to be independent under NYSE standards. This is a strong formal governance structure: no dual-class control, no founder voting lock, independent chair, annual director elections, and independent standing committees.

The board has real operating and technology depth. The addition of Nikesh Arora in 2025 gives the board direct cybersecurity and AI oversight experience. Revathi Advaithi, Ursula Burns, John Thain, Ronald Sugar, and Alexander Wynaendts add global operations, finance, public-company, industrial, and regulated-market experience. The only governance concern is not structure, but complexity: Uber operates in over 70 countries, faces labor classification and safety risks, and is now making multi-year autonomous-vehicle commitments. The board's skill set is relevant, but the oversight burden is high.

2. Tenure And Track Record

Dara's record should be assessed in two eras: repair and compounding. The repair era was cleaning up a company that had brand, culture, regulatory, and cash-burn problems. The compounding era is the current 2024-2026 posture: profitable growth, cross-platform engagement, advertising, membership, autonomous partnerships, and capital return. The financial evidence in

the data package is strong enough to credit management with a real operating turnaround. Revenue increased from $17.455B in FY2021 to $52.017B in FY2025. Operating income moved from a $3.834B loss in FY2021 to $5.565B profit in FY2025. Free cash flow moved from negative $0.743B in FY2021 to $9.763B in FY2025. FMP ROIC in the data package moved from negative in FY2021-FY2022 to 11.2% in FY2025. That is not yet a Gideon-quality 20% ROIC business, but the direction and scale of improvement are management-relevant.

The first major Dara decision was to focus Uber around Mobility, Delivery, and Freight while exiting or de-emphasizing capital-intensive experiments. Earlier disposals and reductions in non-core operations are not fully itemized in the current package, but the current financial architecture reflects the outcome: an asset-light platform with FY2025 capex of only $0.336B, or 0.6% of revenue, and TTM free cash flow of $9.799B. Management deserves credit for turning a sprawling story into a company where the core units can be modeled segment by segment. The caveat is that Freight remains an unresolved asset; it is still subscale in profit terms, with TTM Segment Operating Income of negative $0.114B.

The second major decision was the deliberate shift to profitable growth. Uber did not simply let revenue grow and hope margin followed. The Q2 2024, Q4 2024, Q1 2025, Q2 2025, Q3 2025, Q4 2025, and Q1 2026 transcripts repeatedly tie growth to audience, trip frequency, operating leverage, and free cash flow. This is not cosmetic because the numbers match: FY2025 operating margin was 10.7%, TTM GAAP operating income was $6.260B, and TTM Non-GAAP Operating Income was $7.010B. Management also moved disclosure from adjusted EBITDA toward Non-GAAP Operating Income and Non-GAAP EPS in 2026, which is a better per-share orientation.

The third major decision was the partner-led autonomous-vehicle strategy. Uber no longer tries to own the full AV stack. It is positioning itself as the demand, routing, operations, insurance, marketplace, and commercialization layer for multiple AV technology and OEM partners. The last eight quarters show consistent messaging on this point: in Q2 2024 Dara pre-emptively addressed the AV question before Q&A; in Q4 2024 he called Uber an indispensable go-to-market partner; in Q2-Q4 2025 he discussed Waymo, WeRide, Baidu, Lucid, Nuro, Wayve, NVIDIA, and other relationships; in Q1 2026 he said AV Mobility trips grew more than 10x year over year and that Uber expected to be live in up to 15 cities by year-end. This is strategically coherent, but not proven. The main risk is that Uber's partner strategy migrates from capital-light enablement into vehicle, fleet, insurance, or infrastructure commitments that erode marketplace economics.

The largest decision that has not fully worked is Freight. Freight revenue was $5.099B in FY2025, slightly down from FY2024, and TTM Segment Operating Income remained negative. Management does not overpromote Freight in the same way it talks about Mobility and Delivery, which is a point in its favor. The Q1 2026 materials said Freight returned to growth for the first time in nearly two years, but the appendix should not capitalize that until several quarters show positive operating profit. Dara's handling of Freight looks candid enough: the company keeps it, simplifies operations, uses AI automation, and talks about integration with broader logistics, but does not claim it is already a high-return compounder.

The CFO track record is transitional. Prashanth helped achieve investment-grade status, launch the first repurchase program, and execute several acquisitions, according to the Q4 2025 call and 8-K. Balaji's first visible quarter as CFO, Q1 2026, was strong on capital-return execution, with $3B of repurchases in the quarter and a 2% year-over-year reduction in diluted share count. The question for 2026-2027 is whether Balaji can maintain discipline when AV and M&A opportunities compete with buybacks.

3. Capital Allocation From Data Package

The capital-allocation record from data_package.md Section 7 is mostly positive. Uber is now a high-free-cash-flow, low-capex platform. Capex was $0.298B in 2021, $0.252B in 2022, $0.223B in 2023, $0.242B in 2024, and $0.336B in 2025. Capex as a percent of revenue fell from 1.7% in 2021 to 0.6% in 2025. R&D increased from $2.054B in 2021 to $3.402B in 2025, but R&D as a percent of revenue fell from 11.8% to 6.5%. That is what investors should want in a scaled marketplace: rising absolute product investment, falling intensity, and strong operating leverage.

Buybacks are the largest new capital-allocation action. Uber repurchased $1.252B of stock in 2024 and $6.523B in 2025 after no buybacks in 2021-2023. The company announced a new authorization of up to an additional $20B in August 2025. In Q1 2026, management said it repurchased $3B of common stock and retired roughly 40 million shares, versus roughly 80 million for all of 2025, with about $16B remaining under the authorization. This is powerful if the business is undervalued and if the buyback is price-sensitive. It becomes harmful if management keeps buying aggressively during an AV investment cycle or if repurchases simply offset stock-based compensation. The 2026 proxy's addition of EPS and Non-GAAP Operating Income growth to incentive design is directionally positive, but it still does not substitute for a formal ROIC or per-share FCF hurdle.

Uber pays no dividend. That is appropriate for a company still compounding Mobility, Delivery, advertising, membership, AI, enterprise, and AV opportunities. The balance sheet is also sound enough to support buybacks. The data package shows $6.091B of cash plus short-term investments, total debt of $12.419B, and net debt / TTM Adjusted EBITDA below 1.0x. This is not a levered financial engineering story.

M&A is mixed but bounded. Recent corporate actions include SpotHero for about $600M after Q1 2026, Blacklane, Getir, Trendyol GO, and AV-related partnerships with Lucid/Nuro and others. Management describes these as targeted bolt-ons that expand geography, product capability, or platform adjacency. The good signal is that no recent deal appears large enough to imperil the balance sheet. The caution is strategic sprawl: hotels, parking, grocery, retail, autonomous, enterprise, and freight can all be rational adjacencies, but the company must avoid recreating the old Uber pattern of too many experiments. For now, capital allocation is consistent with the stated strategy: reinvest in high-return platform growth, keep AV partner-led and milestone-based, return excess cash, and preserve an investment-grade balance sheet.

4. Compensation Alignment From Latest Proxy

The 2026 proxy is materially better than a simple revenue-growth incentive plan. It says 96% of the CEO's target total direct compensation was variable and at risk in 2025, and 93% on average for other named executive officers. It also says the CEO's annual equity award had more than 50% in performance-based restricted stock units, with more than 77.5% of the CEO's target annual equity opportunity subject to total stockholder return and performance-based achievement through options and PRSUs.

The metric set is broadly aligned with where Uber is in the maturity curve. For 2025, goals included Gross Bookings, Adjusted EBITDA, Adjusted EBITDA less SBC, insurance savings, AV platform and market presence, global electric vehicle miles, safety, membership expansion, and driver/courier experience. The inclusion of Adjusted EBITDA less SBC is important because stock-based compensation has historically been a real shareholder concern for high-growth platforms. The 2026 plan goes further: the proxy says Uber added Non-GAAP EPS to the annual cash bonus plan, replacing Adjusted EBITDA and Adjusted EBITDA less SBC; added Non-GAAP Operating Income growth to 2026 PRSUs, replacing Adjusted EBITDA margin; set 60% of the annual cash bonus and 90% of 2026 PRSUs on financial metrics; moved to three-year goals across all PRSU metrics; and kept 10% of 2026 PRSUs allocated to safety improvement goals. For CEO/CFO/COO equity, the 2026 target mix is 55% PRSUs, 22.5% options, and 22.5% RSUs for the CEO, and 50% PRSUs, 25% options, and 25% RSUs for CFO/COO.

There are two weaknesses. First, the plan still does not put ROIC or free cash flow per share at the center. That matters for Gideon because Uber's biggest future risk is not missing a bookings target; it is deploying too much capital into AV, M&A, or incentives at mediocre returns. Second, relative TSR and options can reward a rising market multiple even when per-dollar capital allocation is only adequate. These are not fatal flaws because the plan has added EPS, Non-GAAP OI growth, SBC, safety, and multi-year goals, but the alignment is not perfect.

Ownership alignment is acceptable. The proxy states the CEO has a ten-times base salary stock ownership requirement; other executive officers have three-times salary requirements; unvested time-based awards, unearned performance awards, unvested options, and vested but unexercised options do not count toward the requirement. The proxy says all executive officers and non-employee directors were in compliance as of the applicable 2025 measurement date. It also prohibits hedging and pledging for margin loans or similar speculative transactions and maintains a clawback policy exceeding SEC and NYSE requirements.

Dilution remains a monitoring item. The data package shows R&D and SBC-linked disclosure improvement, while Q1 2026 guidance called for 2026 SBC of $1.95B-$2.15B. Against TTM revenue above $53B and TTM FCF near $9.8B, SBC is no longer thesis-breaking, but it is still large enough that buybacks must be judged by net share count reduction, not gross dollars repurchased.

5. Disclosure Quality And Candor From Last Eight Quarters

I reviewed Uber's investor-relations earnings-call transcript PDFs for Q2 2024, Q3 2024, Q4 2024, Q1 2025, Q2 2025, Q3 2025, Q4 2025, and Q1 2026. The overall disclosure grade is above average. Management publishes prepared remarks, supplemental materials, press releases, and transcript PDFs on the IR site. The call structure is efficient: short opening remarks, then analyst Q&A. Management generally answers the question asked rather than retreating into generic platform language, although AV answers naturally contain strategic framing because economics are still early and partner-dependent.

The clearest sign of candor is pre-emptive handling of tough topics. In Q2 2024, Dara opened by addressing two investor concerns before Q&A: consumer strength in a possible recession and autonomous vehicles. He said Uber saw no softness or

trading down by income cohort at that time and then explained why AV commercialization requires utilization, demand, and marketplace infrastructure. In Q4 2024, he explicitly compared 2024 results to the prior three-year investor framework and said Uber exceeded commitments on gross bookings, adjusted EBITDA, and FCF conversion. In Q4 2025, management put the CFO transition in the opening remarks and let both outgoing and incoming CFOs address investors before Q&A. That is the right instinct.

Question handling is generally direct. In Q1 2026, the first analyst question asked about insurance savings in Los Angeles and San Francisco and confidence in U.S. Mobility acceleration. Dara handled the product/travel portion, while Balaji walked through the insurance journey, expected savings, renewals, and how lower cost can be reinvested into affordability. In Q2 2025, when asked about platform initiatives and whether Uber should become one super app, Dara acknowledged the execution tension: a cross-promotion pixel in the Mobility app can hurt the Mobility experience if not targeted, so the company needs experimentation and context rather than crude bundling. That is a good answer because it admits implementation difficulty rather than pretending synergy is automatic.

On AVs, management directly names competitors and deployment structures. Q4 2025 Q&A opened with a question about Tesla/Waymo ramping in major cities and the impact on share and profitability. Dara did not dismiss the risk; he reframed AVs as market-expanding and partner-suited, then discussed demand density and multiproduct scale. I would prefer more quantified economics by partner, but given that partner contracts are commercially sensitive and many deployments are early, the absence of unit economics is not yet an evasion. The monitorable issue is whether, by 2027, Uber still refuses to give any economics for mature AV markets that have material trip volume.

Guidance discipline appears strong. Across the reviewed quarters, management consistently ties guidance to gross bookings, EBITDA or Non-GAAP EPS, and free cash flow. The data package and transcripts show repeated beats versus high-end or framework commitments, particularly Q4 2024, Q3 2025, Q4 2025, and Q1 2026. The language is promotional at times - "exceptional," "outstanding," and "once-in-a-generation" appear - but the promotional tone is usually accompanied by operating metrics such as MAPCs, trips, gross bookings, Uber One members, FCF, adjusted EBITDA, or buyback shares retired.

Voluntary disclosure is good but not complete. Uber discloses MAPCs, trips, gross bookings, segment revenue, segment profitability, Uber One member counts, cross-platform engagement commentary, AV city and partner counts, and selected product run-rates. It does not disclose product-level revenue inside Mobility or Delivery, AV unit economics, Uber One churn, Uber One profitability, or Freight forward margins. Those omissions are real but understandable. The key is that management generally labels these areas as initiatives rather than fabricating precision. For ER2, I would not penalize the team for protecting commercial detail, but I would not give full credit until AV and membership economics become more observable.

6. Strategic Coherence

Uber's stated purpose is clear: it is a global technology platform for movement, local commerce, and logistics. The FY2025 10-K says the company operates three reportable segments - Mobility, Delivery, and Freight - and that these address large, fragmented markets. The investor-relations home page summarizes the mission as reimagining how the world moves for the better. The 2025-2026 management narrative translates that into six operating themes: deeper engagement, hybrid human/AV networks, expanded earning opportunities, local commerce, merchant offerings including ads and funded offers, and AI.

The strategy is coherent because the investment pattern matches the words. Capex remains low; R&D rises in dollars but falls as a percent of revenue; M&A is bolt-on; AV is partner-led; buybacks return excess capital; and management has reorganized around cross-platform execution through the COO role. Uber One, advertising, enterprise, and cross-platform engagement all sit logically on top of the existing Mobility and Delivery demand graph. Freight is less obviously essential, but management's stated logistics ecosystem path at least connects it to local commerce and enterprise fulfillment.

The five-to-ten-year destination is also clear enough: become the default demand and operations layer for human and autonomous mobility, delivery, local commerce, and selected logistics workflows, while converting a larger share of gross bookings into operating income and per-share cash flow. That is not a random sequence of pivots. It is a platform expansion strategy. The concern is that platform companies often overestimate adjacency transfer. Hotels, parking, grocery, retail, freight, AV, and AI can all fit the map, but the capital-allocation bar must stay high.

Management is appropriately explicit about threats. The 10-K calls out competitive, regulatory, labor classification, insurance, accounting, and AV-related risk. The earnings calls repeatedly name AV commercialization and direct autonomous competition as central investor concerns. This is better than pretending the market is unchallenged.

7. Governance Flags

Governance is clean enough for a PASS. There is no dual-class share structure in the proxy materials reviewed; the annual-meeting section states each share of common stock gets one vote. The board is majority independent, has an independent chair, and requires separate chair and CEO roles. All standing committees are independent, and the board and committees can hire independent advisors without management approval. The proxy says the board met nine times in 2025, the Audit Committee eight times, the Compensation Committee six times, and the Nominating and Governance Committee four times, with directors attending at least 75% of applicable meetings.

I did not identify a material related-party transaction flag in the latest proxy review. The most obvious governance issues are structural complexity rather than self-dealing: labor classification, safety, insurance, international regulatory exposure, accounting complexity from evolving business models, equity investment revaluations, and AV commitments. The proxy's unusually detailed safety-governance discussion is relevant. Safety has been tied to executive compensation since 2018, the board receives safety updates, the audit committee oversees enterprise risk including safety, and Uber says it plans to publish its fourth U.S. Safety Report in 2026. That does not eliminate safety risk, but it shows board-level process.

There are no obvious recent SEC enforcement, restatement, or material internal-control red flags in the primary sources reviewed for this appendix. The Q1 2026 Form 10-Q and FY2025 10-K discuss ongoing legal and regulatory matters, but those are characteristic business risks, not evidence that management is hiding a control failure.

Insider selling is a watch item only directionally. The SEC company filing feed shows frequent Form 4 activity in 2025-2026, which is normal for a large equity-compensated technology company. I did not build a complete transaction-by-transaction insider-sale model for this appendix because the management gate should not rest on noisy Form 4 activity unless there is a clustered executive unwind or control-holder sale. No such obvious control problem emerged from the proxy ownership table or filing feed review. The more important shareholder-alignment issue is net dilution versus actual share count reduction.

8. Peer Comparison

Against DoorDash's Tony Xu, Dara looks less founder-led but more proven at public-company capital allocation. Xu has an exceptional product and market-share record in U.S. delivery and may rank higher on founder intensity and single-category focus. Dara ranks higher on operating a more complex, multi-segment global platform and on proving a cash-flow pivot at enormous scale. DoorDash still has a cleaner core category; Uber has a broader platform and more moving parts.

Against Lyft's David Risher, Dara ranks materially higher on five-year stewardship. Lyft has improved discipline, but it lacks Uber's global scale, Delivery adjacency, membership reach, advertising optionality, and free-cash-flow base. Uber's management team has built a more diversified platform and a more credible per-share capital-return plan. Lyft may be simpler, but Uber is better managed on per-dollar opportunity and strategic positioning.

Against Airbnb's Brian Chesky, the comparison is closer. Chesky has a founder-led, asset-light marketplace with strong brand, excellent FCF conversion, and very clear product philosophy. Airbnb probably ranks higher on simplicity and organic marketplace quality. Dara ranks higher on turnaround execution and handling regulatory/operational complexity across several marketplaces. On communication, both are strong, but Uber's disclosure package is more numerically dense quarter to quarter because the business requires it.

Overall, Dara is in the upper tier of marketplace CEOs, though not flawless. He is not as founder-pure as Xu or Chesky, but he has demonstrated something many founder CEOs never have to demonstrate: taking a messy, controversial, cash-burning platform and converting it into a large, profitable, shareholder-returning business without losing growth. That earns management credit.

9. Management Gate Verdict

Management gate: PASS.

This is a real PASS, not a courtesy grade. Dara has a long enough tenure to own the strategy and a measurable record of turning Uber from negative operating income and negative free cash flow into a scaled platform with FY2025 revenue of $52.017B, FY2025 operating income of $5.565B, FY2025 FCF of $9.763B, and TTM FCF of $9.799B. Capital allocation is now coherent: low capex, rising but disciplined R&D, bolt-on M&A, partner-led AV investment, a strong balance sheet, and meaningful buybacks. Compensation is not perfect because it lacks a direct ROIC or FCF-per-share hurdle, but the 2026 proxy shows real improvements toward EPS, Non-GAAP Operating Income growth, SBC discipline, three-year PRSU goals, safety, ownership guidelines, hedging bans, and clawbacks. Disclosure quality over the last eight quarters is above average,

with direct discussion of recession risk, AV threat, insurance, buybacks, cross-platform execution limits, and CFO transition.

The monitor list despite PASS is explicit. First, AV capital intensity must remain partner-led and milestone-based; a move into heavy vehicle ownership or open-ended fleet financing would reopen the gate. Second, buybacks must reduce the diluted share count after SBC, not merely offset dilution. Third, Balaji's first full year as CFO must show continuity in capital discipline, guidance clarity, and balance-sheet restraint. Fourth, Freight needs either a credible path to sustained profit or a willingness to shrink, partner, or exit if returns remain weak. None of these issues is severe enough to make management YELLOW today, but each is material enough to monitor before calling Uber an unquestioned twenty-year compounder.

Source Notes

- Uber 2026 DEF 14A proxy statement: https://www.sec.gov/Archives/edgar/data/1543151/000130817926000125/uber014597-def14a.htm
- Uber FY2025 Form 10-K: https://www.sec.gov/Archives/edgar/data/1543151/000154315126000015/uber-20251231.htm
- Uber Q1 2026 Form 10-Q: https://www.sec.gov/Archives/edgar/data/1543151/000154315126000022/uber-20260331.htm
- Uber February 2026 CFO-transition Form 8-K: https://www.sec.gov/Archives/edgar/data/1543151/000154315126000011/uber-20260130.htm
- Uber governance and leadership page: https://investor.uber.com/governance/default.aspx
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- Uber Q3 2025 earnings-call event and transcript: https://investor.uber.com/news-events/events-and-presentations/event-details/2025/Uber-Q3-2025-Earnings-Conference-Call/default.aspx
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- Uber Q1 2025 earnings-call event and transcript: https://investor.uber.com/news-events/events-and-presentations/event-details/2025/Uber-Q1-2025-Earnings-Conference-Call/default.aspx
- Uber Q4 2024 earnings-call event and transcript: https://investor.uber.com/news-events/events-and-presentations/event-details/2025/Uber-Q4-2024-Earnings-Conference-Call-2025-V_CXS5kc60/default.aspx
- Uber Q3 2024 earnings-call event and transcript: https://investor.uber.com/news-events/events-and-presentations/event-details/2024/Uber-Q3-2024-Earnings-Conference-Call-2024-B2wRZ91FnC/default.aspx
- Uber Q2 2024 earnings-call event and transcript: https://investor.uber.com/news-events/events-and-presentations/event-details/2024/Uber-Q2-2024-Earnings-Conference-Call/default.aspx

Appendix W - Moat and 2046 Durability

Uber Technologies, Inc. (UBER) - Moat and 2046 Durability

Date: 2026-06-26. TTM anchor: 2026-03-31. Forward horizon: 2031-03-31. 2046 test date: 2046-06-26.

Evidence status: this appendix uses the verified `data_package.md` Sections 1-5 for financial and segment evidence and `appendix_A_primer.md` Section 4 for competitive orientation. The Mobility, Delivery, and Freight segment appendices existed when this file was written but were still stub-sized, so final segment-appendix evidence was not yet available and is not claimed as read. External sources are used only for competitive and 10-K risk-factor context: [Uber's FY2025 Form 10-K](https://www.sec.gov/Archives/edgar/data/1543151/000154315126000015/uber-20251231.htm), [Uber's Q1 2026 earnings release](https://investor.uber.com/news-events/news/press-release-details/2026/Uber-Announces-Results-for-First-Quarter-2026/default.aspx), and [Uber's February 2026 Autonomous Solutions release](https://investor.uber.com/news-events/news/press-release-details/2026/Uber-Unveils-Uber-Autonomous-Solutions-to-Accelerate-Autonomous-Mobility--Delivery-Worldwide/default.aspx).

1. Moat Taxonomy Applied

Network effects are Uber's real moat, but they are local, not universal. In Mobility, a dense rider base attracts driver supply; driver supply lowers ETAs, improves reliability, reduces cancellations, and raises rider conversion; higher demand then improves driver utilization. The verified package shows the scale of that loop: TTM Mobility revenue of $29.972 billion and TTM Mobility Segment Operating Income of $7.649 billion, with Q1 2026 Mobility Gross Bookings of $26.394 billion, up 25% reported and 20% constant currency. That is not merely a brand story; it is a large, profitable liquidity pool. In Delivery, the network is three-sided: consumers, merchants, and couriers. The moat is weaker because merchants and consumers multi-home, but cross-platform traffic and Uber One make the loop more durable than a stand-alone delivery marketplace. Freight has the least evidence of network effects: shipper and carrier matching exists, but current TTM Segment Operating Income was negative $114 million, so the network has not yet proven superior economics.

Switching costs are low at the transaction level and moderate at the relationship level. Uber's FY2025 10-K is blunt that consumers, drivers, merchants, shippers, and carriers can switch to the best price, earnings potential, order volume, or service quality, and that switching costs are low in these markets. That is the central moat caveat. The offset is habit, saved payment credentials, loyalty economics, enterprise billing, ratings, support history, and Uber One. Q1 2026 management said Uber One had reached 50 million members and that members generated about half of Mobility and Delivery Gross Bookings. That does not create enterprise-software-style lock-in, but it does create frequency and bundling advantages that raise the bar for a competitor trying to pull users away one trip at a time.

Scale economies are meaningful in Mobility and Delivery. Uber runs shared maps, payments, safety, support, pricing, dispatch, marketplace data, advertising, product engineering, and local regulatory operations across many markets. The data package shows consolidated operating margin improving from -22.0% in FY2021 to 10.7% in FY2025, while annual Gross Bookings expanded from $90.4 billion to $193.5 billion. That is a clear sign that fixed and semi-fixed platform costs are scaling. The same package shows FY2025 capex of only $336 million on $52.017 billion of revenue and FY2025 free cash flow of $9.763 billion, so the core model is asset-light when Uber is not forced to finance vehicle capacity or regulatory obligations. Scale is not enough by itself because incentives and insurance can rise with volume, but the margin trajectory is now evidence of operating leverage rather than aspiration.

Brand and trust matter, especially in a real-world service where the consumer is getting into a car, ordering food, or sending goods through a logistics chain. Uber's brand lowers search costs and gives consumers and earners confidence that payment, support, ETA, route, safety, and dispute workflows will function. This is not Coca-Cola-style pricing power, but it is a trust asset. The 10-K describes platform availability in over 70 countries and more than 15,000 cities, with proprietary marketplace, routing, and payments technologies and a large base of users, drivers, merchants, shippers, and carriers. Brand durability is strongest in Mobility, useful in Delivery, and weaker in Freight, where enterprise logistics buyers prize service quality, relationships, and price over consumer brand.

Regulatory capability is both an asset and a risk. Uber's operating history gives it local playbooks for licensing, insurance, driver background checks, city engagement, tax, safety, and labor rules. That can slow smaller entrants. But regulation is not a clean moat because it can reset the economics against Uber. The FY2025 10-K describes worker-classification challenges in multiple jurisdictions, including employee, worker, or quasi-employee status, unionization, minimum earnings rules, and country-specific labor developments. If regulators raise minimum costs or cap fees and surge pricing, the barrier can protect

incumbents while simultaneously compressing margins.

IP and patents are not the moat. Uber owns software, data, algorithms, and product know-how, but the core consumer proposition can be copied in form: open app, choose service, pay, track fulfillment, rate the provider. The defensibility comes from liquidity, data scale, operating depth, brand trust, and demand aggregation, not from hard intellectual property. This matters for autonomy: Uber no longer needs to win by owning the best driving stack, but it must remain the distribution and operating layer that AV developers need.

High-trust procurement is emerging but not yet dominant. Uber for Business, Uber Health, Uber Direct, advertising, Freight transportation management, and AV partner services all push Uber into repeat enterprise workflows. The primer notes Uber for Business management commentary of well over $5 billion of high-margin annualized Gross Bookings and more than 300,000 organizations globally, but those are management KPIs rather than audited segment revenue. This is a credible extension of the moat, not yet the core proof.

2. Per-Segment Moat

Mobility has the strongest segment moat. The moat is local marketplace liquidity plus consumer habit, driver earning opportunity, route/pricing data, payments, trust, and regulatory operations. Its durability is high over five years and plausible over ten years because density advantages are hard to recreate city by city, and the segment is already highly profitable. The break mechanism is not another classic ride-hail app copying Uber; it is autonomous supply or regulation changing who controls the scarce input. If Waymo, Tesla, Zoox, or another AV platform controls a large share of low-cost urban supply and owns the consumer relationship, Uber's take rate and bargaining power could fall. Early warning signs are declining Mobility take rate, rising incentive intensity, worse ETA/cancellation metrics, public AV partners favoring direct channels, or Mobility Segment Operating Income margin compressing despite bookings growth.

Delivery has a real but less clean moat. The segment benefits from Uber's cross-platform audience, courier overlap, merchant demand generation, Uber One, advertising, and a consumer interface that can span restaurants, grocery, retail, and local commerce. The data package shows FY2025 Delivery revenue of $17.248 billion, TTM revenue of $18.539 billion, and TTM Segment Operating Income of $3.443 billion. Delivery Segment Adjusted EBITDA margin improved from -4.2% in FY2021 to 20.7% in FY2025, which is strong evidence that the marketplace is no longer purely promotion-driven. The caveat is that DoorDash, Instacart, Amazon, grocers, restaurants, and regional platforms can compete hard by category and geography. The moat lasts five years if ads, membership, batching, and cross-use offset fee pressure; it is less certain over twenty years because merchants and consumers can multi-home and grocery/retail fulfillment can be margin-thin. Early warning signs are merchant fee concessions, Uber One subsidy escalation, ad-load backlash, slower Delivery bookings growth versus category peers, or Delivery margin flattening below the high-teens level.

Freight does not currently clear a moat test. Uber Freight may have technology, visibility, carrier access, and transportation management tools, but the numbers do not yet prove durable advantage. FY2025 Freight revenue was $5.099 billion, down slightly from FY2024, and TTM Segment Operating Income was negative $114 million. The 10-K names C.H. Robinson, Total Quality Logistics, RXO, XPO, Echo Global Logistics, and DHL as competitors. Freight brokerage and transportation management are operationally demanding and cyclical, with large incumbents and price-sensitive buyers. Freight could become strategically useful if it links enterprise logistics, Uber Direct, local commerce, and carrier automation, but today it is an option, not a moat-bearing profit pool. The earliest upgrade signal would be sustained positive Segment Operating Income through a freight cycle, with revenue growth not bought by spread compression.

The blended company moat is therefore weaker than Mobility alone. Mobility and Delivery carry the equity story; Freight is an unproven third segment. The company-level moat is real because the two core marketplaces now produce large segment profits and share consumer, earner, payment, support, ad, and membership infrastructure. But the company is not a uniform high-switching-cost compounder. Its moat is a set of dense local liquidity pools that must be defended market by market.

3. Margin Persistence Evidence

The consolidated margin evidence is much better than Uber's pre-profit history suggested, but it is not a full-cycle twenty-year proof. The verified package reports consolidated operating margin of -22.0% in FY2021, -5.7% in FY2022, 3.0% in FY2023, 6.4% in FY2024, and 10.7% in FY2025. That is a five-year progression from heavy losses to real operating profitability. It occurred while Gross Bookings grew from $90.4 billion in FY2021 to $193.5 billion in FY2025, Trips rose from 6.4 billion to 13.6 billion, and take rate stabilized around 27.0% from FY2023-FY2025 before dipping to 26.3% on the TTM base. This pattern supports scale economies and operating discipline, not just cyclical recovery.

Segment evidence is strongest in Mobility. Mobility revenue grew from $6.953 billion in FY2021 to $29.670 billion in FY2025, while Segment Adjusted EBITDA rose from $1.596 billion to $7.899 billion. Adjusted EBITDA margin stayed in a narrow and healthy band: 23.0%, 23.5%, 25.0%, 25.9%, and 26.6% from FY2021-FY2025. The homogeneous TTM Segment Operating Income margin from Q2 2025 through Q1 2026 is also strong: $7.649 billion on $29.972 billion of TTM revenue, or roughly 25.5%. That is real margin persistence in the face of competition, insurance pressure, and regulatory noise.

Delivery shows the most important improvement. Revenue grew from $8.362 billion in FY2021 to $17.248 billion in FY2025, and Segment Adjusted EBITDA moved from -$348 million to $3.572 billion. Adjusted EBITDA margin progressed from -4.2% to 5.1%, 12.3%, 18.0%, and 20.7%. TTM Segment Operating Income was $3.443 billion on $18.539 billion of revenue, or about 18.6%. This supports the argument that Delivery can be more than a loss-making customer-acquisition channel. The open question is whether the margin level can survive grocery/retail mix shift, merchant fee pressure, and advertising saturation.

Freight is the negative control. Revenue rose sharply after acquisition and then stalled: FY2023 $5.245 billion, FY2024 $5.141 billion, FY2025 $5.099 billion, and TTM $5.176 billion. Segment Adjusted EBITDA margins were -6.1%, 0.0%, -1.2%, -1.4%, and -0.6% from FY2021-FY2025; TTM Segment Operating Income margin was about -2.2%. If the company were mostly Freight, the moat gate would fail. Because Freight is under 10% of FY2025 revenue and not a profit contributor, it is a drag on blended quality rather than the core verdict driver.

4. AI and Autonomy Disruption Stress Test

Mobility is not a foundation-model workflow; it is a physical marketplace with local capacity, safety, insurance, routing, payments, price discovery, support, and regulatory execution. AI can improve pricing, dispatch, support, fraud detection, mapping, and driver/rider matching, but a model with the same map and demand data cannot itself supply rides. The bigger issue is autonomy, which can change the cost curve and the scarce input. Uber's FY2025 10-K explicitly identifies autonomous vehicle competitors including Waymo, Zoox, and Tesla and warns that if competitors bring AVs to market before Uber can offer them at competitive scale, lower-cost autonomous supply could pull consumers away. That is the hardest moat question in the entire report.

Uber's strategic answer is to be the AV commercialization layer rather than the owned AV developer. Its February 2026 Autonomous Solutions release describes services across infrastructure, user experience, and fleet operations, including data, mapping, regulatory access, financing, customer support, and fleet operations for AV partners. This is a smart capital-light posture because it diversifies technology risk and preserves Uber's demand role. It is not yet proof that Uber will capture the AV profit pool. The power split in 2031-2046 will depend on whether AV developers need Uber's demand density, city operations, and hybrid human/AV dispatch more than Uber needs their vehicles. If AV supply is scarce and differentiated, suppliers can bargain down Uber's take. If AV supply fragments across many partners and customers prefer one mobility app across human rides, taxis, and AVs, Uber's moat strengthens.

Delivery is more AI-enhanced than AI-disrupted. AI can improve dispatch, batching, menu data, substitutions, ads, support, merchant onboarding, fraud controls, and demand forecasting. It does not eliminate the need for merchants, couriers, consumers, cold-chain constraints, or local fulfillment. Autonomous sidewalk robots, drones, and AV delivery can lower cost in some use cases, but these technologies are also potential partner supply sources for Uber. The main AI risk is not that a chatbot replaces Uber Eats; it is that merchants or large platforms use AI and owned logistics to reduce dependence on marketplace demand, or that ad targeting and ranking become commoditized.

Freight is the most exposed to software-led commoditization because parts of brokerage, quoting, load matching, and transportation management are workflows that AI can automate. Freight still has physical capacity and service-quality constraints, but the spread economics can be competed away if every broker uses similar automation. Without a demonstrated margin advantage, Freight should not receive much AI-resilient moat credit.

The most protected segment is Mobility in dense, regulated, hybrid human-plus-AV markets where Uber remains the demand, dispatch, payments, support, and regulatory layer. The most exposed segment is Freight, followed by commodity portions of Delivery where merchant and consumer switching is easy.

5. The 2046 Test

On 2046-06-26, a durable Uber would be the global operating system for on-demand movement, not merely a ride-hail app. It would sell access to reliable local mobility, local commerce fulfillment, enterprise movement workflows, advertising inventory attached to high-intent local demand, and a partner marketplace for autonomous mobility and delivery fleets. Consumers

would buy rides, shared rides, premium trips, reservations, airport and travel products, grocery and retail delivery, meal delivery, and bundled membership. Merchants and brands would buy demand generation, logistics, ads, loyalty access, and white-label fulfillment. Drivers, couriers, fleet operators, and AV partners would supply capacity. Enterprises would buy billing, policy controls, health/travel movement, employee mobility, and logistics services.

In that successful 2046, Mobility still exists but has a different supply base. Human drivers dominate long-tail geographies, edge cases, lower-density markets, specialized vehicles, and flexible surge coverage; AV partners supply more standardized urban and airport corridors. Uber's moat is that no single AV maker wants or can efficiently cover every city, product, vehicle type, regulatory interface, customer support flow, and demand occasion alone. Uber's operating margin is directionally higher than today's GAAP 10.7% consolidated margin if AV supply lowers unit cost without transferring all economics to fleet owners, if Delivery ads and membership remain healthy, and if Freight is either fixed or de-emphasized. The intact moat would be local liquidity plus cross-platform demand, not exclusive ownership of vehicles.

The bear-case 2046 is also easy to write. AV networks with superior cost per mile build direct consumer relationships in the richest city pairs, force Uber into a lower-margin aggregator role, and leave human-driver Uber supply to lower-density or politically complex markets. Regulators treat gig labor as quasi-employment in major jurisdictions, raising minimum costs and limiting price flexibility. Delivery becomes a competitive local-commerce ad and logistics channel where merchants and grocers resist take rates, while Amazon, DoorDash, Instacart, and regional champions own important categories. Freight remains cyclical and low-margin. In that world, Uber is still large and useful, but it is not a Gideon-quality 20-year compounder because the highest-margin Mobility profit pool migrates to AV owners and regulated local labor economics.

The probability-weighted 2046 view is YELLOW. The successful description is specific and plausible; it does not require Uber to invent a new identity. But the unresolved bargaining-power question with AV suppliers and the unresolved regulatory-labor question are too large for a clean PASS today.

6. Competitive Threat Inventory

Threat	Mechanism	Segment(s) affected	Earliest observable signal	Plausibility
AV platforms control supply and customer relationship	Waymo, Tesla, Zoox, or other AV operators use lower cost per mile and direct apps to capture dense urban rides	Mobility, later Delivery	Mobility take rate falls; AV partners shift volume off Uber; Uber incentives rise in AV cities; human-driver ETA advantage disappears	High
Labor and local regulation reset unit economics	Employee/quasi-employee rules, minimum earnings, unionization, fee caps, surge caps, insurance mandates, or local licensing raise costs or limit price flexibility	Mobility, Delivery	Segment OI margin compresses despite bookings growth; driver/courier cost per trip rises; markets move to gross revenue accounting or capped fees	High
Local commerce competition pressures Delivery take rate	DoorDash, Amazon, Instacart, grocers, restaurants, and regional apps compete for merchants and consumers through bundles, ads, and fulfillment economics	Delivery	Merchant fee concessions; ad growth slows; Uber One subsidy rises; Delivery margin stalls below high teens	Medium-high
Freight remains structurally low-return	Incumbent brokers and logistics providers match technology while pricing remains cyclical and spread-based	Freight	Freight revenue growth resumes without positive Segment OI; brokerage spreads compress; enterprise wins fail to lift margin	Medium
Consumer price sensitivity breaks pricing	Users choose cheaper public transit, owned cars, taxis, pickup, or competing apps when fees rise	Mobility, Delivery	Trips per MAPC slows; promotions increase; take rate declines; churn rises among non-Uber One users	Medium

7. Pricing Power Verification

Uber has partial pricing power, not unrestricted pricing power. The evidence for pricing power is indirect: Gross Bookings, Trips, and margins grew together even as the company became materially profitable. Q1 2026 Trips grew 20% year over year, Gross Bookings grew 25% reported and 21% constant currency, and Non-GAAP Operating Income rose 42% year over year. FY2025 full-year Gross Bookings reached $193.454 billion and revenue reached $52.017 billion, while GAAP operating income rose 99% to $5.565 billion. These data points suggest Uber can monetize scale without destroying demand, at least in the current environment.

The take-rate evidence is more cautious. Company take rate was 19.3% in FY2021, then 27.6% in FY2022, 27.0% in FY2023, 27.0% in FY2024, 26.9% in FY2025, and 26.3% on the TTM base. That is stable but not rising recently. The Q1 2026 release also states revenue growth was negatively affected by business-model changes, so reported revenue and take rate must be interpreted carefully. The conclusion is that Uber has enough pricing and mix power to defend margins in the near term, but not enough evidence to assume decades of take-rate expansion.

Segment pricing power varies. Mobility has the best evidence because margins stayed in the mid-20s while revenue and bookings scaled, but insurance and regulation can absorb price increases. Delivery has improving pricing/mix power through ads, membership, batching, and merchant demand generation, but merchant and consumer alternatives keep the ceiling visible. Delivery advertising is an important high-margin layer: the 10-K says FY2025 Delivery revenue growth included a $568 million increase in advertising revenue. Freight has weak pricing power because shippers and carriers are price-sensitive and the segment remains unprofitable.

Contract structure does not create a major moat in the consumer businesses. Transactions are short-duration, and users can switch. Enterprise offerings, Uber Direct, Uber for Business, Freight transportation management, and AV partner services can add recurring relationships, but they are not yet the dominant economic proof. Pricing power is therefore observable but conditional: it comes from liquidity, reliability, membership, ads, and cross-platform utility rather than contractual lock-in.

8. Moat Verdict

Moat gate: YELLOW. Uber has a real moat in local marketplace liquidity, cross-platform demand, brand trust, data scale, membership, advertising, and operating infrastructure. Mobility clearly carries the moat, Delivery increasingly contributes, and Freight does not. The margin evidence supports a durable advantage over the next five to ten years, but the moat is not clean enough for PASS because switching costs are low, regulation can reset cost structure, and autonomy can shift bargaining power away from Uber.

2046 test: YELLOW. The 2046 durable-business description is specific: Uber could still be the demand, dispatch, payments, support, regulatory, and fleet-operations layer for hybrid human and autonomous mobility plus local commerce. That picture is plausible, especially if AV supply is fragmented and partner-led. It is not yet a PASS because the highest-value future Mobility supply may be controlled by AV owners, while labor rules and local regulation could cap profitability.

Upgrade signals: Mobility Segment Operating Income margin stays in the mid-20s or better as AV trips scale on Uber; AV partners remain meaningfully multi-party rather than one dominant supplier; Delivery Segment Operating Income margin holds around high teens or better while Grocery/Retail and ads grow; regulatory changes are absorbed without sustained take-rate or margin erosion. Downgrade signals: Mobility take rate and margin fall in AV cities; Uber makes capital-heavy AV commitments to defend supply; driver/courier classification changes spread across major profit pools; Delivery growth becomes subsidy-dependent; Freight consumes capital without producing positive operating income.

Appendix B1 - Mobility

Uber Technologies (UBER) - Mobility Segment Deep Dive

Prepared by: Sub-Agent B for Mobility Date: 2026-06-26 Segment slug: mobility TTM anchor: Q2 2025 + Q3 2025 + Q4 2025 + Q1 2026, ending 2026-03-31 Forward horizon: 2031-03-31, exactly five calendar years from the TTM end date

0. Segment Boundary And Taxonomy Note

Mobility is Uber's current reportable rides segment. The data package defines it as the business that connects consumers with drivers across rides, taxis, two-wheelers, reservations, financial partnerships, and advertising. The current reportable-segment structure is stable from FY2023 onward, with Mobility, Delivery, and Freight as the operating and reportable segments. FY2021 and FY2022 still included residual "All Other" activity from ATG, Other Technology Programs, and New Mobility exits, but those residuals were immaterial by FY2022 and are not used as current operating segments. The relevant taxonomy change for this appendix is not segment naming. It is the Q1 2026 profitability presentation change: Uber shifted the quarterly segment bridge from Segment Adjusted EBITDA to Segment Operating Income and Non-GAAP Operating Income. Therefore this appendix uses Mobility revenue from data_package Section 3 and uses the homogeneous TTM Segment Operating Income bridge from data_package Section 3, which cites Uber Q1 2026 supplemental page 27. It does not mix Q2-Q4 2025 Segment Adjusted EBITDA with Q1 2026 Segment Operating Income.

The boundary also matters at the product level. Uber discloses Mobility segment revenue, Mobility gross bookings, and selected product KPIs, but it does not disclose standalone revenue for UberX, Reserve, Moto, Premium, Uber One, advertising, autonomous rides, or financial partnerships inside Mobility. This appendix therefore models one dollar-disclosed revenue line: Mobility. Reserve, Moto, Premium, Uber One, cross-platform use, and autonomous vehicle partnerships are treated as growth or margin levers, not as separate revenue lines. That is not a simplification preference; it is the anti-fabrication rule from the data package. A bottoms-up rollup that invents product revenue for those levers would look more precise and be less true.

1. What Mobility Is

Mobility is Uber's ride marketplace. A rider opens Uber's app, sees a price and wait-time estimate, chooses a product tier, and is matched to available supply: mostly human drivers today, plus a small but strategically important set of autonomous-vehicle partner deployments in selected cities. The segment includes everyday rides such as UberX, higher-priced products such as premium rides, scheduled trips through Reserve, lower-cost and two-wheeler products such as Moto in developing markets, airport and business travel use cases, taxi integrations in certain geographies, and related marketplace monetization such as advertising and financial partnerships where Uber discloses them as part of the broader Mobility ecosystem.

The customer is not one homogeneous passenger. Mobility serves commuters, travelers, airport riders, event riders, urban residents who do not own cars, suburban users with limited transit options, business travelers, and international consumers for whom low-cost two-wheelers are the relevant modality. The supplier side is also heterogeneous: full-time drivers, part-time earners, taxi fleets, rental partners, and increasingly AV operators. Uber's economic role is to aggregate demand, route it to supply, price the trip, handle payment, provide trust and safety infrastructure, and manage marketplace incentives so that riders get reliable pickup and drivers get enough earnings to remain available.

The pricing model is a marketplace take rate on gross bookings. Gross bookings represent the total transaction value paid by consumers, including amounts that pass through to drivers and other marketplace participants. Revenue is Uber's retained portion after driver earnings, incentives, refunds, taxes, and other marketplace accounting effects. For Mobility, the data package gives both gross bookings and revenue for the last four quarters. TTM Mobility gross bookings were $102.709B and TTM Mobility revenue was $29.972B, implying a segment revenue-to-bookings take rate of about 29.2%. That take-rate math is a useful directional lens, but it should not be overinterpreted as pure pricing power because insurance costs, incentives, market mix, product mix, and accounting classification all flow through the revenue line.

Go-to-market is mostly product-led and local. Uber does not sell Mobility through a conventional enterprise sales force. It uses consumer app demand, airport presence, local supply operations, driver acquisition, pricing algorithms, loyalty and subscription through Uber One, enterprise travel partnerships, and cross-sell from Delivery. The data package flags a particularly important cross-platform effect: management said dual Mobility and Delivery users had higher retention and generated materially more gross bookings and profit than single-business consumers. That is a segment moat input because Mobility can be more valuable inside Uber's broader local commerce app than it would be as a standalone ride app.

2. Current Economics

Mobility is Uber's largest segment. In FY2025, Mobility revenue was $29.670B, or 57.0% of company revenue, according to the data package reporting-structure table. In the TTM period ending 2026-03-31, Mobility revenue was $29.972B and homogeneous Mobility Segment Operating Income was $7.649B. That produces a TTM Segment OI margin of 25.5%. The current economic picture is therefore no longer the old "scale later" ride-hailing story. Mobility already has very large revenue, high contribution profitability, and a margin profile that can carry substantial corporate overhead at the company level.

The quarterly pattern is important. Mobility revenue was $7.288B in Q2 2025, $7.682B in Q3 2025, $8.204B in Q4 2025, and $6.798B in Q1 2026. The Q1 sequential decline is seasonal and does not imply a broken segment; Q1 2026 Mobility gross bookings were $26.394B, up 25% reported and 20% constant currency, while Mobility revenue growth was only 5% reported and 1% constant currency. That mismatch between bookings growth and revenue growth should be read carefully. It can reflect mix, incentive, and take-rate pressure. It also suggests that a revenue model must not simply compound bookings commentary at the same rate into revenue without a take-rate haircut.

The most recent profitability trend is unusually strong. Segment OI was $1.729B in Q2 2025, $1.864B in Q3 2025, $2.027B in Q4 2025, and $2.029B in Q1 2026. Margins therefore stepped from 23.7% to 24.3% to 24.7% to 29.8%. The Q1 2026 margin is high enough that the base case should not mechanically extrapolate it. One quarter can benefit from insurance, mix, incentive timing, seasonality, or accounting effects. At the same time, the four-quarter average of 25.5% is now a real base. The correct modeling stance is not "Mobility is a low-margin marketplace." It is "Mobility is a high-margin marketplace with insurance, regulatory, incentive, and AV uncertainties that can move the margin by several hundred basis points."

Capital intensity is low at the segment level under the current human-driver marketplace model. Uber does not own most cars used in Mobility, and consolidated FY2025 capex was only $0.336B against $52.017B of company revenue, per the data package. Segment-specific capex is not separately disclosed. The capital-intensity caveat is AV strategy. If Uber remains a marketplace, fleet manager, routing layer, and demand aggregator for AV partners, Mobility can preserve low capital intensity. If Uber has to finance vehicles, guarantee utilization, fund depots, or absorb more operational obligations to secure AV supply, capital intensity and operating risk rise.

The key sub-products are material but not dollar-disclosed. The data package identifies Reserve, Moto, Premium, Uber One, Mobility-driven Delivery cross-sell, and AV deployments as relevant. Reserve was described as growing well above the mainline business, with Q2 2025 commentary referencing roughly 60% growth. Moto and low-cost products had more than $1.5B of gross bookings run-rate and roughly 40% growth. Premium products had more than $10B of gross bookings run-rate and roughly 35% growth. Uber One had more than 50M members globally and roughly half of Mobility and Delivery gross bookings from members. These metrics matter because they describe mix, retention, and runway. They do not provide standalone revenue lines.

3. Unit Economics

Mobility unit economics start with a local transaction: rider price, driver earnings, marketplace fees, insurance, incentives, payments, support, and safety operations. Uber's revenue is a take-rate expression of that marketplace. Segment Operating Income is what remains after segment costs, but before corporate G&A and Platform R&D allocations that are disclosed separately in the Q1 2026 supplemental bridge. For the TTM period, Mobility produced $7.649B of Segment OI on $29.972B of revenue. This means the segment itself is very profitable before corporate allocation. The company-level Non-GAAP Operating Income bridge still has to absorb Corporate G&A and Platform R&D, which were negative $3.968B over the same TTM period.

The largest unit-economic drivers are utilization, wait time, driver supply cost, insurance, incentives, and mix. Higher utilization allows more trips per active driver hour and spreads fixed local operating effort across more bookings. Shorter ETAs improve conversion and reliability, which lets Uber hold or expand take rate without making the product feel worse. Driver supply cost is the opposite side of that equation: if driver earnings must rise faster than rider prices to maintain supply, revenue take rate or margin can compress. Insurance is a large swing factor in U.S. Mobility. The data package captures CFO commentary that U.S. Mobility insurance should show leverage for the first year since COVID, supporting margin expansion while preserving insurance reserve risk as a watch item.

Product mix can lift both growth and margin. Premium products may carry higher absolute dollars per trip and can monetize business and affluent riders. Reserve can improve reliability and planning for airport, business, and scheduled use cases; if priced correctly, it can reduce uncertainty and improve driver matching. Moto and low-cost products expand use cases in markets where car rides are too expensive for daily use. Uber One can reduce churn and increase frequency, not just provide

a fee stream, because membership can make the next trip or order more likely to happen inside Uber rather than in a competitor's app.

The most delicate unit-economic issue is take rate. Mobility TTM revenue divided by Mobility TTM gross bookings was about 29.2%. That looks high, but it is not a direct measure of "commission" in the simple sense because gross bookings and revenue classification include multiple accounting components. The relevant investment question is whether Uber can grow bookings while keeping revenue growth reasonably close to bookings growth and while preserving Segment OI margin. Q1 2026 warns against complacency: bookings growth was very strong, but reported revenue growth was modest. A base case that assumes high-teens bookings growth translates into high-teens revenue growth every year would ignore the latest observed divergence.

The AV transition can either improve or weaken unit economics. In a partner-led model, Uber could expand supply, improve reliability, and use the app as the demand layer without owning expensive vehicles. The Waymo and Uber partnership in Austin and Atlanta, as described by both companies, is consistent with that marketplace and fleet-operations model. In a more adversarial model, AV providers could build direct consumer relationships, capture more economics, or use Uber only as a demand-acquisition channel. Waymo's own public materials indicate that autonomous rides are scaling rapidly, with more than 500,000 fully autonomous EV trips per week disclosed on Waymo's sustainability page as of the live check. That makes AV real enough to model as a strategic swing factor, but not enough to model as a separately disclosed Uber Mobility revenue line.

4. Competitive Dynamics

Mobility competition has three layers: traditional ride-hailing platforms, local transport substitutes, and autonomous-vehicle networks. The most direct U.S. public competitor is Lyft. Lyft's official Q1 2026 release reported $4.9B of gross bookings, up 19% year over year, $1.7B of revenue, up 14% year over year, and 28.3M active riders. Those figures show that U.S. ride-hailing demand remains healthy and that Lyft is not disappearing. They also show scale asymmetry: Uber's Mobility TTM gross bookings alone were $102.709B globally, while Lyft is primarily North America focused. Lyft can still be a rational, sharper competitor in certain markets, especially if it uses service quality, driver earnings, price, or partnerships to defend share.

Outside the United States, competition is more fragmented. Local champions, taxi networks, super-apps, and regional ride-hailing players compete market by market. Uber's advantage is not universal market share dominance in every country. It is the ability to operate a global marketplace, reuse technology and trust infrastructure, cross-sell across Mobility and Delivery, and apply capital and product learnings across markets. That matters because Mobility is local at the supply-demand level but global at the product and data level.

Local transport substitutes matter too. Public transit, private cars, taxis, walking, cycling, car rental, car sharing, airport shuttles, and employer-provided transportation all compete with Mobility depending on the trip. Uber does not need to replace all of these to grow. It needs to win incremental occasions where reliability, convenience, price transparency, and app familiarity matter. That is why sparse geography penetration is strategically important. If Uber can improve reliability in suburbs, smaller cities, and underpenetrated international markets, it can grow without taking share only from Lyft or taxis.

The AV competitive layer is the hardest to underwrite. Waymo is the current visible leader in U.S. robotaxi scale. Waymo's 2025 year-in-review said it served more than 14M trips during 2025 and was on a path to reach a million rides every week by the end of 2026. Waymo's public sustainability page later disclosed more than 500,000 weekly fully autonomous EV trips. Uber benefits when AV supply comes through the Uber app, as in Austin and Atlanta, but faces risk if AV suppliers increasingly build direct rider relationships in major markets. Business Insider reported in June 2026 that Waymo launched a subscription offering in some direct Waymo markets, which, if scaled, would be one more sign that the best AV operators may not want to remain wholesale suppliers:
https://www.businessinsider.com/waymo-robotaxi-subscription-premier-membership-priority-pick-up-business-model-2026-6.

The competitive conclusion is balanced. Uber has strong network effects, brand, global operating know-how, and cross-platform demand. It also faces real price and supply competition. Traditional ride-hailing competitors can pressure prices or driver earnings, especially in dense U.S. markets. AV competitors can change the supply curve and potentially disintermediate the app if they control the full customer experience. The base case assumes Uber remains the leading demand aggregator and an important AV distribution partner. The bear case assumes take-rate pressure from AV and traditional competitors offsets much of bookings growth. The bull case assumes AV becomes supply augmentation on Uber's terms rather than displacement.

External competitor context sources used only for non-Uber competitive facts: Lyft official Q1 2026 release, Waymo official 2025 year-in-review, Waymo sustainability page, Waymo-Uber official partnership blog, and Uber official Atlanta Waymo launch release. Uber historical revenue, margins, KPIs, and management commentary in this appendix come from the verified data package only.

5. Segment-Level Moat

Mobility's moat is not a patent moat. It is a marketplace and operating-density moat. In ride-hailing, the product gets better when there are more riders and more drivers in the same local market. More demand attracts more supply. More supply reduces wait times and cancellations. Better reliability increases conversion, frequency, and willingness to pay. Higher trip density can improve driver earnings per hour without requiring higher consumer prices on every ride. That local flywheel is hard to build because it requires both sides of the market to show up at the same time.

Uber also has a multi-product demand moat. Mobility is not a single-use app if the same consumer also uses Delivery, Uber One, grocery, retail, or travel-related features. The data package captures management's point that dual Mobility and Delivery users had 35% higher retention and generated about 3x gross bookings and profit versus single-business consumers. That is not a standalone revenue forecast, but it is strong evidence that cross-platform engagement can make the Mobility customer relationship more durable. A ride-only competitor has to win the next trip. Uber can win the next trip, the next meal, the next grocery order, the next airport ride, and the next subscription renewal inside one account.

The supply-side moat is more complicated. Human drivers multi-home. They can use Uber, Lyft, taxis, delivery apps, or other gig platforms. Driver switching costs are not high enough to guarantee pricing power. Uber's advantage is therefore not exclusive driver ownership; it is liquidity, demand density, earnings opportunity, payment reliability, safety systems, and operating scale. If Uber can give drivers a better earnings-per-hour outcome because its demand is denser, the platform can hold supply without overpaying for every marginal hour. If a competitor can match earnings density and rider demand in a city, the moat is thinner.

The regulatory moat cuts both ways. Large incumbents can absorb compliance complexity, insurance requirements, local licensing, safety rules, and litigation better than small entrants. However, regulation can also cap economics, impose employment classification costs, limit surge pricing, or force benefit contributions. A regulatory moat that raises barriers to entry can still hurt returns if it raises the incumbent's cost base faster than it deters competition.

The AV moat is not yet proven. Uber's strongest argument is that AV fleets need demand density, dispatch, routing, support, payments, marketplace liquidity, and utilization. Uber can provide those. The counterargument is that the best AV operators may own enough proprietary technology, fleet operations, and consumer brand to capture demand directly. The segment moat over five years is therefore strong in human-driven ride-hailing, good in cross-platform consumer engagement, and unresolved in AV. For a 2031 horizon, the right underwriting is to give Uber credit for being a central demand aggregator, but not to assume it captures the full autonomous profit pool.

6. Historical Growth Rates From Data Package

The table below reproduces the dollar-disclosed Mobility history from the data package. It does not create product-level revenue for Reserve, Moto, Premium, Uber One, or AV. Product-level rows are included only where the data package provides KPI disclosure, and the revenue cells explicitly say not separately disclosed. The 3-year CAGR for the dollar-disclosed Mobility line is FY2022 to FY2025 because FY2022, FY2023, FY2024, and FY2025 are all in the data-package table. The two-year FY2023 to FY2025 CAGR is also shown in the prose below because the current reportable-segment structure is stable from FY2023 onward.

Product / sub-segment	FY-3 rev	FY-2 rev	FY-1 rev	3-yr CAGR	Most recent YoY	Data package cite
Mobility segment total	FY2023 $19.832B	FY2024 $25.087B	FY2025 $29.670B	28.4% from FY2022 to FY2025	18.3% in FY2025	data_package lines 71-76; source row: FMP product segmentation and SEC 10-K segment note
Reserve	Not separately disclosed	Not separately disclosed	Not separately disclosed	n/a	Roughly 60% growth commentary	data_package lines 105-108 and 116
Moto and low-cost products	Not separately disclosed	Not separately disclosed	Not separately disclosed	n/a	More than $1.5B gross bookings run-rate and about 40% growth	data_package lines 107 and 117
Premium products	Not separately disclosed	Not separately disclosed	Not separately disclosed	n/a	More than $10B gross bookings run-rate and about 35% growth	data_package lines 108 and 118

Product / sub-segment	FY-3 rev	FY-2 rev	FY-1 rev	3-yr CAGR	Most recent YoY	Data package cite
Uber One Mobility engagement	Not separately disclosed	Not separately disclosed	Not separately disclosed	n/a	More than 50M members globally; roughly half of Mobility and Delivery gross bookings from members	data_package line 120
Autonomous Mobility	Not separately disclosed	Not separately disclosed	Not separately disclosed	n/a	Partnership and deployment commentary only	data_package line 121 and lines 155-159

Arithmetic check for the dollar-disclosed Mobility row: FY2022 revenue was $14.029B, FY2023 was $19.832B, FY2024 was $25.087B, and FY2025 was $29.670B. The disclosed YoY math ties: $14.029B times 1.414 equals $19.838B, within rounding of $19.832B; $19.832B times 1.265 equals $25.083B, within rounding of $25.087B; and $25.087B times 1.183 equals $29.678B, within rounding of $29.670B. The FY2022 to FY2025 CAGR is 28.4%. The FY2023 to FY2025 CAGR, which better reflects the stable current taxonomy period, is 22.3%.

The recent quarterly table is equally important. Mobility revenue was $7.288B in Q2 2025, $7.682B in Q3 2025, $8.204B in Q4 2025, and $6.798B in Q1 2026. Segment OI was $1.729B, $1.864B, $2.027B, and $2.029B in those quarters. Data_package Section 5 quarter rows and the Section 3 TTM bridge sum those four quarters into TTM Mobility revenue of $29.972B and TTM homogeneous Mobility Segment OI of $7.649B. This is the base used for Sections 8 through 10. It is deliberately not the FY2025 annual adjusted EBITDA table.

[DATA GAP: Uber does not disclose standalone revenue for Reserve, Moto, Premium, Uber One, advertising, or AV inside Mobility. This appendix uses those items as KPI levers only and keeps the dollar model at the Mobility segment level.]

7. Management Guidance From Data Package Section 6

The data package does not provide a formal five-year Mobility revenue guide. It provides short quotes and paraphrased management commentary from Q2 2025 through Q1 2026. The following items are the Mobility-relevant anchors used in the forecast. Verbatim quoted fragments are kept exactly as they appear in the data package; paraphrases are labeled as paraphrases and are not transcript re-fetches.

First, Q1 2026 CEO commentary says, "Uber had an exceptional start to 2026." The data package maps this to company momentum and states that it supports continued high-teens bookings growth base case, while not permitting product-level revenue invention. For Mobility, the useful information is not the broad optimism. It is the combination of very strong reported Mobility bookings growth in Q1 2026 and much slower reported Mobility revenue growth. The forecast should assume demand remains strong but should not assume take rate expands in lockstep with bookings.

Second, Q1 2026 CEO commentary is paraphrased as balanced growth, with Mobility Gross Bookings accelerated, Delivery led by grocery and retail, and Freight returned to growth after nearly two years. That supports Mobility as one of the two core growth engines. The base case uses Mobility revenue CAGR below the FY2022 to FY2025 historical CAGR, because the business is larger and the most recent revenue growth was only 5% reported, but it does not assume abrupt stagnation.

Third, Q1 2026 CFO commentary includes the short quote "first year since COVID" in the context of insurance cost leverage. The data package says the CFO expected U.S. Mobility insurance to show leverage for the first year since COVID. This supports some forward margin expansion, but it is also a risk marker. Insurance costs are not a one-way tailwind. Reserve changes, claim severity, litigation, regulatory requirements, or actuarial reserve updates can reverse the leverage.

Fourth, Q4 2025 CEO commentary is paraphrased as AVs being market expansion and supply augmentation rather than near-term replacement of human driver supply. The model treats AV as optionality and risk, not as a separate revenue line. The base case assumes AV helps supply reliability and consumer choice in selected cities but does not yet displace the economics of the entire Mobility network.

Fifth, Q4 2025 CFO commentary is paraphrased as non-top-20 U.S. markets driving a large share of U.S. profit and being unlikely to be served by AVs soon. This is important. It argues against the simplistic bear thesis that robotaxis immediately destroy Uber's entire Mobility profit pool. The highest-density AV markets may face earlier disruption, but many profitable markets are likely to remain human-driver or hybrid for longer.

Sixth, Q3 2025 CEO commentary includes the short quote "fastest growth since 2023" for trips and bookings. The data package says this confirms Q3 acceleration was not a small accounting artifact. The base and bull cases rely on this demand evidence. The bear case assumes the acceleration fades as take-rate pressure, consumer price sensitivity, and driver supply costs absorb the benefit.

Seventh, Q3 2025 CEO commentary is paraphrased as Phoenix, Austin, and Atlanta growing more than twice the rest of the U.S. as AV deployments expanded. This supports the bull case if AV supply expands the market through better availability and consumer curiosity. It also supports the bear case if AV-led demand becomes controlled by AV suppliers rather than by Uber over time.

Eighth, Q2 2025 CEO commentary includes the short quote "just scratching the surface" in relation to cross-platform engagement. Management sees low cross-use between Mobility and Delivery as a major runway. The model gives this runway credit in the base case through a sustained double-digit Mobility CAGR, but does not convert it into a separate dollar line because the data package forbids product-level revenue invention.

Ninth, Q2 2025 CEO commentary is paraphrased as dual Mobility and Delivery users having 35% higher retention and generating about 3x gross bookings and profit versus single-business consumers. This is the strongest moat datapoint in the management section. It supports both revenue durability and margin durability because higher retention can reduce the need for incentives. It is still a correlation-based management statement rather than a disclosed product P&L.

8. Forward Growth Assumptions

All cases compound from TTM Mobility revenue of $29.972B at 2026-03-31 to the 2031-03-31 horizon. The product table format includes the KPI levers the data package names, but only the Mobility segment total carries revenue dollars. The other rows affect the chosen segment CAGR qualitatively. This keeps the rollup reconstructable and avoids fake product revenue.

Base case: Mobility remains a large, growing, global ride marketplace. The FY2022 to FY2025 Mobility revenue CAGR was 28.4%, the FY2023 to FY2025 CAGR was 22.3%, FY2025 YoY was 18.3%, and recent quarterly revenue growth slowed sharply in Q1 2026 despite strong bookings. A 12.0% five-year revenue CAGR is therefore below historical growth but still assumes Uber sustains a powerful demand flywheel through cross-platform engagement, Reserve, Premium, low-cost products, and sparse geography penetration.

Product / lever	3-yr historical CAGR	Latest YoY	Mgmt FY+1 guide	Base CAGR TTM to TTM+5y	Justification
Mobility segment total	28.4% FY2022-FY2025	18.3% FY2025; Q1 2026 revenue up 5%	High-teens bookings growth support; no formal revenue guide	12.0%	Mature scale and take-rate caution justify deceleration, while cross-platform retention, Reserve, Premium, Moto, and geography runway keep growth double digit.
Reserve	n/a	Roughly 60% growth commentary	Growth well above mainline	n/a	Reflected inside Mobility total; useful for reliability, airport, and scheduled use cases rather than modeled as separate revenue.
Moto and low-cost	n/a	About 40% growth; more than $1.5B GB run-rate	Affordability and developing-market runway	n/a	Reflected inside Mobility total; expands trip frequency and addressable market, likely at lower revenue per trip.
Premium	n/a	About 35% growth; more than $10B GB run-rate	Premium mix remains a lever	n/a	Reflected inside Mobility total; supports revenue mix and margin if demand remains resilient.
Uber One and cross-platform	n/a	More than 50M members; roughly half of Mobility and Delivery GB from members	Cross-use remains underpenetrated	n/a	Reflected in retention and lower incentive intensity, not separately modeled revenue.
AV partnerships	n/a	Deployment commentary only	Supply augmentation, not near-term replacement	n/a	Reflected as modest supply expansion and strategic option value, not standalone revenue.

Bear case: Mobility still grows, but growth decelerates to 8.0% CAGR. This is not a collapse case. It assumes strong bookings growth becomes less valuable to Uber shareholders because take rate, driver incentives, insurance, and AV partner economics absorb more of the gross bookings. It also assumes U.S. and mature-market price sensitivity rises and Lyft or local competitors keep enough pressure on rider prices and driver earnings to limit revenue growth.

Product / lever	3-yr historical CAGR	Latest YoY	Mgmt FY+1 guide	Bear CAGR TTM to TTM+5y	Justification
Mobility segment total	28.4% FY2022-FY2025	18.3% FY2025; Q1 2026 revenue up 5%	Demand healthy, but no revenue guide	8.0%	Bear case assumes Q1 2026 revenue slowdown is a warning: bookings can grow while revenue take rate and incentives pressure the P&L.

Product / lever	3-yr historical CAGR	Latest YoY	Mgmt FY+1 guide	Bear CAGR TTM to TTM+5y	Justification
Reserve	n/a	Roughly 60% growth commentary	No formal revenue guide	n/a	Adoption continues but remains too small or too competitive to move the segment CAGR much.
Moto and low-cost	n/a	About 40% growth	No formal revenue guide	n/a	Lower-priced trips expand usage but dilute revenue per booking and carry local competitive pressure.
Premium	n/a	About 35% growth	No formal revenue guide	n/a	Premium growth slows with macro, travel, and competition; mix benefit fades.
Uber One and cross-platform	n/a	Member and booking-mix disclosure	Cross-use runway	n/a	Membership helps retention but subscription discounts and competition limit net revenue lift.
AV partnerships	n/a	Deployment commentary only	Supply augmentation	n/a	AV suppliers capture much of the incremental economics or build direct demand, pressuring Uber's take rate.

Bull case: Mobility compounds revenue at 15.0% for five years. This requires the recent bookings acceleration to translate back into revenue growth, Reserve and Premium to remain mix-positive, Uber One to deepen retention, Moto and low-cost products to expand frequency in international markets, and AV partnerships to increase supply without materially weakening Uber's economics. It is not a return to the FY2022 to FY2025 CAGR because the segment is now far larger.

Product / lever	3-yr historical CAGR	Latest YoY	Mgmt FY+1 guide	Bull CAGR TTM to TTM+5y	Justification
Mobility segment total	28.4% FY2022-FY2025	18.3% FY2025; Q1 2026 revenue up 5%	High-teens bookings support	15.0%	Bull case assumes bookings acceleration, cross-platform conversion, and product mix overcome take-rate pressure, while still decelerating from historical scale-up growth.
Reserve	n/a	Roughly 60% growth commentary	Above-mainline growth	n/a	Reserve expands scheduled and airport occasions and raises reliability perception.
Moto and low-cost	n/a	About 40% growth	Affordability runway	n/a	Low-cost products unlock more frequent use in underpenetrated markets without requiring car-level fares.
Premium	n/a	About 35% growth	Premium mix lever	n/a	Premium remains strong with business travel, airport trips, and affluent consumers.
Uber One and cross-platform	n/a	More than 50M members	Cross-use runway	n/a	Membership and Delivery cross-sell lift retention and reduce reacquisition spending.
AV partnerships	n/a	Deployment commentary only	Market expansion and supply augmentation	n/a	AV fleets improve availability in constrained markets while Uber keeps the consumer relationship.

The year-by-year shape behind the base case is gradual deceleration, not a cliff. The base case effectively assumes Mobility revenue grows faster than Q1 2026 reported revenue growth but slower than FY2025 annual growth. The logic is that Q1 2026 revenue growth may include temporary mix and take-rate effects, while the broader gross bookings and trip evidence still points to demand growth. If the next several quarters continue to show high-teens bookings growth and low-single-digit revenue growth, the base CAGR should be cut toward the bear case.

9. Forward Operating Margin Assumptions

Current TTM Mobility Segment OI margin is 25.5%, from $7.649B of Segment OI on $29.972B of revenue. Annual FY2025 Segment Adjusted EBITDA margin was 26.6%, but that metric is not used as the forward profitability base. The quarterly Segment OI margin sequence was 23.7%, 24.3%, 24.7%, and 29.8%. The base case margin of 28.0% assumes Uber keeps some insurance leverage, incentive discipline, and product mix benefit, but does not permanently capitalize the full Q1 2026 margin. The bear case margin of 24.5% assumes take-rate, insurance, regulation, and AV partner pressure. The bull case margin of 30.0% assumes density, cross-platform retention, premium mix, and supply reliability allow Uber to exceed the TTM average sustainably.

Case	Current TTM OI margin	Horizon OI margin	Change vs current	Mechanism
Bear	25.5%	24.5%	-100 bps	Driver supply costs, insurance reserve pressure, regulatory constraints, and AV partner bargaining offset scale.
Base	25.5%	28.0%	+250 bps	Insurance leverage, marketplace density, better retention, and mix from Reserve and Premium lift margin without assuming Q1 2026 is the new normal.
Bull	25.5%	30.0%	+450 bps	Uber keeps demand aggregation power, AV supply augments the network, premium and membership mix improve, and incentives fall as reliability rises.

The bear margin is deliberately still profitable. A true disaster case could take Mobility below 20%, but that would require a much harsher combination of employment reclassification, insurance shock, AV disintermediation, and price competition than is visible in the current data package. The relevant ER2 bear case is not "Uber Mobility becomes structurally unprofitable." It is "the segment remains good but no longer compounds enough profit to justify a high-quality long-duration thesis at the company level."

The base margin has two constraints. First, corporate overhead is not included in Mobility Segment OI, so the company-level model still needs Corporate G&A and Platform R&D. Second, the Q1 2026 margin of 29.8% may include seasonal or timing effects. A 28.0% horizon margin gives credit for scale and insurance leverage while acknowledging that a five-year model should not simply freeze the best quarter.

The bull margin requires a genuine quality outcome. It assumes Uber's multi-product app reduces churn, higher-value products keep growing, driver supply remains healthy, insurance cost leverage persists, and AV partnerships do not force Uber to give away too much economics. If Waymo, Tesla, or another AV network owns the consumer relationship in the highest-density cities, the bull margin is unlikely even if trips grow.

10. Segment Rollup

Because Mobility sub-product revenue is not disclosed, the rollup uses one revenue-bearing line: Mobility segment total. The product and strategic levers are embedded in the case CAGR and margin assumptions above. This is less granular than a fabricated UberX, Reserve, Premium, Moto, AV, and ads revenue stack, but it is arithmetically clean and tied to the verified data package.

Case	Revenue-bearing line	TTM revenue	CAGR TTM to TTM+5y	Horizon revenue	Horizon OI margin	Horizon Segment OI	Arithmetic check
Bear	Mobility segment total	$29.972B	8.0%	$44.039B	24.5%	$10.789B	$44.039B times 24.5%
Base	Mobility segment total	$29.972B	12.0%	$52.821B	28.0%	$14.790B	$52.821B times 28.0%
Bull	Mobility segment total	$29.972B	15.0%	$60.284B	30.0%	$18.085B	$60.284B times 30.0%

The revenue math compounds the TTM base for exactly five calendar years, not from FY2025 and not from a six-year fiscal window. Bear revenue equals $29.972B times 1.08 to the fifth power. Base revenue equals $29.972B times 1.12 to the fifth power. Bull revenue equals $29.972B times 1.15 to the fifth power. Segment OI then applies the horizon margin to horizon revenue. Because there is only one disclosed revenue line, the product-level sum reconciles exactly to segment revenue. The synthesis agent should treat the product levers in Section 8 as explanations for the segment CAGR, not as separate summable revenue rows.

11. Key Risks And Wildcards

Bear risk: take-rate compression. The most direct warning sign is Q1 2026, where Mobility gross bookings grew far faster than Mobility revenue. If that spread persists, revenue CAGR will come in below bookings CAGR even if the product feels healthy to consumers. The cause could be incentives, market mix, driver earnings, subscription effects, regulation, or accounting. The

model's base case cannot survive several years of high-teens bookings growth and low-single-digit revenue growth.

Bear risk: insurance and claims severity. CFO commentary supports insurance leverage, but insurance is volatile. Higher claim severity, adverse legal outcomes, reserve updates, or local insurance rules can pressure Segment OI margin. This is especially relevant because Mobility's current margin is high enough that investors may underwrite it as durable.

Bear risk: regulatory reclassification. Driver classification, minimum earnings, benefits, taxes, pricing rules, airport fees, and city-level restrictions can reduce flexibility. Some regulation raises barriers to entry, but the margin effect can still be negative. If large markets force employee-like cost structures, the bear margin could be too high.

Bear and bull wildcard: AV bargaining power. If AV partners need Uber's demand density, Uber can improve supply and reliability while retaining marketplace economics. If AV leaders own the best technology and the consumer relationship, Uber may be forced into lower-margin distribution or fleet-services economics. Waymo's direct scaling and subscription experiments are therefore not side issues; they are central to the long-term Mobility moat.

Base risk: local competition. Lyft's Q1 2026 growth shows the U.S. competitive set remains alive. Regional competitors outside the U.S. can also price aggressively or operate with local advantages. Uber's global scale is a strength, but city-level liquidity can still be contested.

Bull wildcard: sparse geography penetration. Management commentary suggests non-top-20 U.S. markets are important profit contributors and less likely to be served by AVs soon. If Uber improves reliability in suburbs, smaller cities, and underpenetrated international markets, Mobility can grow longer than a dense-urban ride-hailing saturation model would imply.

Bull wildcard: cross-platform frequency. Uber One, Delivery cross-sell, and dual-user retention can make Mobility more durable than ride-only apps. If the 35% higher retention and about 3x gross bookings and profit relationship scales, Uber can lower reacquisition costs and support both growth and margin. The data gap is that Uber does not disclose Uber One profitability, churn, or segment-specific contribution.

Bull wildcard: product mix. Premium, Reserve, and airport/business use cases can lift revenue and margin if macro and travel demand remain healthy. Moto and low-cost products can expand addressable demand but may dilute revenue per trip. The best outcome is mix breadth: premium raises dollars per transaction while low-cost expands frequency and international reach.

Final Summary Table

Case	Segment TTM+5y Revenue	Segment TTM+5y Op Margin	Segment TTM+5y Op Income	Probability
Bear	$44.039B	24.5%	$10.789B	25%
Base	$52.821B	28.0%	$14.790B	50%
Bull	$60.284B	30.0%	$18.085B	25%

Mobility is the best-developed profit engine in Uber's current segment set. It has the largest revenue base, a verified TTM Segment OI margin above 25%, clear evidence of demand strength, and credible levers in cross-platform retention, premium mix, Reserve, low-cost products, sparse geography penetration, and AV supply partnerships. The segment-level moat is real but not invincible: local marketplace density and cross-platform engagement are strong, while driver multi-homing, regulation, insurance, and AV disintermediation limit the durability claim. The base case underwrites Mobility as a high-quality marketplace compounding revenue at 12.0% and expanding Segment OI margin to 28.0% by 2031-03-31. The key monitoring signal is the spread between gross bookings growth and revenue growth. If bookings keep accelerating but revenue does not follow, the segment remains impressive operationally but less valuable financially.

Appendix B2 - Delivery

Appendix B - Delivery Segment

Company: Uber Technologies, Inc. Ticker: UBER Segment: Delivery Prepared by: Sub-Agent B Date: 2026-06-26 TTM anchor: Q2 2025 plus Q3 2025 plus Q4 2025 plus Q1 2026, ending 2026-03-31. Forward horizon: 2031-03-31, exactly five calendar years from the TTM end.

0. Segment Boundary And Taxonomy Note

Delivery is Uber's local-commerce segment. The boundary is deliberately narrower than "everything delivered through Uber" and broader than the old mental model of "Uber Eats restaurants." The verified data package states that Uber reports three operating and reportable segments: Mobility, Delivery, and Freight. Delivery covers restaurant delivery plus grocery, alcohol, convenience, retail, Uber Direct, and advertising within local commerce. Freight is separate, even when a superficial description of moving goods could sound adjacent. Mobility is also separate, even though the Mobility app is now a major funnel into Delivery demand.

The anti-fabrication rule is load-bearing for this appendix. The data package states that the finest clean dollar-disclosed revenue granularity is the reportable segment. Uber does not separately disclose standalone product revenue for Uber One, Grocery and Retail, Uber Direct, advertising, or restaurant delivery. Therefore this appendix models Delivery as one reportable segment. It discusses sub-lines only as disclosed KPIs, management commentary, or qualitative drivers. It does not create product-dollar revenue estimates inside Delivery.

That rule matters because Delivery has several attractive narratives that would be easy to over-model. Grocery and Retail is growing faster than restaurant delivery, Uber Direct expands merchant use cases, advertising is a high-margin mix lever, Uber One changes frequency and retention, and cross-platform usage from the Mobility app is a real funnel. But none of those have a disclosed product-level revenue table in the verified package. The correct modeling discipline is to use segment revenue, segment Gross Bookings, and homogeneous Segment Operating Income for the financial forecast, then underwrite the sub-lines as drivers of the segment-level assumptions.

The second taxonomy issue is profitability. Uber changed its quarterly segment performance presentation in Q1 2026 from Segment Adjusted EBITDA to Segment Operating Income and Non-GAAP Operating Income. The verified package and QF both warn against mixing Q2-Q4 2025 Segment Adjusted EBITDA with Q1 2026 Segment Operating Income. The controlling TTM profit base for Delivery is the homogeneous Segment Operating Income bridge from Uber Q1 2026 supplemental page 27, captured in the package and QF. Delivery TTM revenue is $18.539B, TTM Gross Bookings are $96.479B, and TTM Segment Operating Income is $3.443B. That implies a current TTM Segment Operating Income margin of 18.6% on revenue.

The taxonomy conclusion is simple: Delivery is a proven, profitable, scaled local-commerce marketplace, but it must be modeled as a segment, not as a fabricated stack of product revenue lines. The qualitative sub-lines explain why growth and margin can persist or fail; they do not become separate dollar rows unless Uber discloses them.

1. What Delivery Is

Delivery connects consumers, merchants, and couriers in a three-sided marketplace. The consumer opens Uber Eats or, increasingly, a Delivery entry point inside the broader Uber app. The merchant supplies restaurants, groceries, convenience items, alcohol where permitted, retail goods, or other local-commerce inventory. The courier completes the fulfillment, either through a marketplace order or, in the case of Uber Direct, through a white-label delivery flow where the merchant owns more of the demand relationship.

The core restaurant business remains the anchor. Restaurants need demand generation, order conversion, reliable dispatch, customer support, and last-mile capacity. Consumers need selection, estimated arrival time, fee transparency, substitutions when relevant, payments, refunds, and trust. Couriers need utilization and earning reliability. Uber sits between all three and monetizes through merchant fees, consumer delivery and service fees, advertising, and membership economics. The combination creates a business that can compound if order density improves the consumer experience, merchant return on ad spend, courier utilization, and fulfillment cost per order.

The newer layer is broader local commerce. The data package identifies Grocery and Retail as a key Delivery growth vector, but also labels product revenue as not separately disclosed. Strategically, grocery and retail shift Delivery from occasional restaurant meals toward recurring household replenishment and urgent local needs. That broadens total addressable usage,

but the unit economics may be more complicated than restaurant delivery. Grocery orders can involve larger baskets, substitutions, picking complexity, temperature control, partner integration, and intense competition from incumbent grocers, Instacart, Amazon, and merchant-owned channels. A bigger addressable market is not automatically a higher-margin market.

Uber Direct is another important sub-line, but it is also not a disclosed revenue line. Uber Direct lets merchants use Uber's logistics capability for orders sourced outside Uber's consumer marketplace. The strategic value is that Uber can monetize delivery infrastructure even when the consumer demand relationship starts on a merchant website or app. That can improve courier density and enterprise relevance, but it may have lower demand-generation economics than marketplace orders because the merchant may expect a more logistics-like price.

Advertising is the most economically attractive sub-line in the verified package because it can layer high-margin monetization on top of marketplace intent. The data package explicitly lists advertising among the Delivery product and subsegment areas searched, but it also labels product-level revenue inside Delivery as true non-disclosure beyond reportable-segment revenue. The modeling takeaway is therefore qualitative: ads can help Delivery margins expand if merchants keep seeing clear incremental demand and if the consumer experience does not become cluttered, but this appendix does not use undisclosed advertising revenue dollars as primary data.

Uber One links the whole structure together. The data package says Uber One had more than 50M members globally in Q1 2026 and that members generated roughly half of Mobility and Delivery Gross Bookings. It also says Delivery Gross Bookings from the Mobility app were near a $15B run-rate, with 30% of eligible Mobility consumers never having used Eats. This is the clearest evidence that Delivery is not just a stand-alone food app. It is one side of a broader consumer frequency system. The investment question is whether that system improves retention and order frequency enough to offset the real costs of membership benefits, promotions, courier pay, and merchant competition.

2. Current Economics

Delivery is no longer a venture-scale loss leader. In FY2021, Delivery revenue was $8.362B and Segment Adjusted EBITDA was negative $0.348B. By FY2025, Delivery revenue had reached $17.248B and Segment Adjusted EBITDA was $3.572B. That historical adjusted EBITDA series is directional only for the forward model, but it shows the key transition: the segment moved from negative contribution to a material profit engine.

The current model base is the TTM bridge through Q1 2026. Delivery generated $96.479B of TTM Gross Bookings, $18.539B of TTM revenue, and $3.443B of homogeneous Segment Operating Income. Revenue as a percentage of Gross Bookings was 19.2%. Segment Operating Income margin was 18.6%. That is a serious margin for a delivery marketplace, especially one still pushing grocery, retail, advertising, membership, and cross-platform penetration.

The recent quarterly trend is also strong. Q2 2025 Delivery revenue was $4.102B, up 25% year over year, with $0.766B of Segment Operating Income. Q3 revenue was $4.477B, up 29%, with $0.811B of Segment Operating Income. Q4 revenue was $4.892B, up 30%, with $0.905B of Segment Operating Income. Q1 2026 revenue was $5.068B, up 34%, with $0.961B of Segment Operating Income. Quarterly Segment Operating Income margins were tightly clustered around 18.1% to 19.0%. This is unusual: high reported growth usually comes with more margin sacrifice, but Uber's Delivery segment showed acceleration while maintaining high-teens segment operating margins.

There are three possible explanations, and the appendix should not overstate certainty among them. First, the core restaurant marketplace may be getting denser, allowing better courier utilization, better batching, and lower support or incentive intensity per order. Second, the mix of high-margin advertising and membership-linked usage may be improving revenue quality. Third, accounting and mix may make revenue growth look stronger than underlying order economics. The data package uses official revenue and Segment Operating Income, so the numbers are real, but the sub-line decomposition remains undisclosed.

The most conservative interpretation is that Delivery has proven it can be profitable at scale, but not that every incremental dollar will carry the same margin. Grocery and retail could dilute margin if picking and fulfillment complexity rises. Uber Direct could add volume at lower marketplace take economics. Advertising could expand margin but only to the point merchants still receive attractive ROI. Uber One could improve retention and frequency, but benefits can also subsidize users. The base case should therefore allow margin expansion, but at a measured pace from an already high base.

3. Unit Economics

Delivery unit economics start with Gross Bookings. A consumer order creates a gross marketplace value before Uber's revenue recognition, consumer incentives, merchant payments, taxes, refunds, courier costs, and other reductions. Uber's recognized revenue is the portion that remains based on the transaction structure. In a delivery marketplace order, revenue

can include merchant commission, consumer delivery and service fees, advertising, and membership allocation. In some arrangements, Uber acts more like an agent; in others, especially certain delivery and logistics structures, the accounting can have different gross-versus-net treatment.

The practical order-level bridge is: consumer demand leads to Gross Bookings; Gross Bookings flow into recognized revenue through take rate and accounting; revenue is reduced by courier payments and incentives, consumer promotions, merchant support, payments, refunds, customer service, fraud costs, and local operations; then segment overhead and shared platform costs determine Segment Operating Income. Corporate G&A and Platform R&D sit outside the segment bridge in the company model, so Delivery's Segment Operating Income is not the same as fully allocated GAAP operating income.

Revenue yield is currently healthy. Delivery TTM revenue of $18.539B on TTM Gross Bookings of $96.479B implies a 19.2% revenue-to-bookings ratio. The quarterly values were approximately 18.9% in Q2 2025, 19.2% in Q3 2025, 19.2% in Q4 2025, and 19.5% in Q1 2026. This stability suggests that recent revenue acceleration was not achieved by a collapsing take rate. It does not prove that every market has equal economics, but it is a strong sign that Uber has pricing and monetization discipline in Delivery.

Segment operating margin is also stable. Delivery Segment Operating Income margin was 18.7% in Q2 2025, 18.1% in Q3 2025, 18.5% in Q4 2025, and 19.0% in Q1 2026. The TTM margin was 18.6%. The narrow range is useful for underwriting because it gives a credible base. A bear case does not need to assume the segment collapses to losses. The more realistic bear case is that growth slows, ads plateau, promotions rise, grocery and retail dilute mix, and margins remain around the current high-teens level rather than expanding materially.

The drivers of upside are density, mix, and cross-sell. Density can lower delivery time, improve courier utilization, reduce cancellations, and make batching more feasible. Advertising can add incremental merchant-funded revenue without requiring proportionate courier cost. Uber One can increase frequency and retention across Mobility and Delivery, reducing customer acquisition burden. Cross-platform traffic from the Mobility app can lower the cost of Delivery demand generation. Grocery and retail can increase order occasions, especially if consumers use Uber for recurring local needs rather than occasional restaurant meals.

The drivers of downside are equally concrete. Merchant commissions can face pressure from regulation, merchant bargaining, or competition. Consumers can resist fees in a weaker macro environment. Couriers can demand higher compensation or face local earnings floors. Promotions can return if competitors choose share over profit. Grocery and retail can create lower-margin operational complexity. Ads can irritate consumers or fail to produce merchant ROI if inventory becomes crowded. These are not abstract risks; they are the actual moving parts between Gross Bookings and Segment Operating Income.

The key ER2 judgment is that Delivery's unit economics are now good enough to count as a real profit pool, but not yet proven enough to assign a mature software-like terminal margin. A 20% plus segment operating margin by 2031 is plausible in base and bull cases, but it requires continued ad growth, disciplined promotions, merchant ROI, and density benefits. It is not automatic simply because the current TTM margin is already 18.6%.

4. Competitive Dynamics

Delivery competition is local, category-specific, and multi-sided. In restaurant delivery, competitors include DoorDash, Deliveroo, Just Eat Takeaway, Delivery Hero, Rappi, Meituan in relevant markets, local champions, restaurant-owned ordering channels, pickup, and offline dining. In grocery and retail, competitors include Instacart, Amazon, Gopuff, merchant-owned delivery, grocers' own pickup and delivery, and local logistics providers. In Uber Direct, competitors include merchant-owned fleets, DoorDash Drive, logistics platforms, and local courier networks. For advertising, Uber competes with merchant marketing budgets that can go to Google, Meta, TikTok, Amazon, retail media, restaurant platforms, and in-app placements from other delivery networks.

The local nature of competition matters. A global brand does not guarantee a dense delivery network in every city. Delivery requires merchant selection, courier supply, consumer habit, local price perception, and service reliability city by city. The moat is therefore built from repeated local density, not from a single global network effect. Uber's advantage is that it can bring an existing consumer app, payments relationship, trust layer, maps, dispatch tools, support infrastructure, and Mobility audience into Delivery. That should lower friction in markets where Mobility is strong. But a strong incumbent with better restaurant selection or grocery relationships can still make a local market difficult.

DoorDash-like local delivery networks are probably the most direct restaurant and convenience competitors in the U.S. and several international markets through analogous players. They can compete on merchant selection, DashPass or

membership economics, delivery time, lower fees, and promotions. Instacart and grocer-owned channels compete in grocery because the operational workflow is not the same as restaurants. Amazon competes in consumer expectations for speed, membership value, and retail delivery. Restaurants' own pickup and delivery channels compete on lower fees and direct customer ownership. These alternatives cap how much Uber can raise take rates or merchant commissions.

Uber's distinctive weapon is cross-platform demand. The data package states that Delivery Gross Bookings from the Mobility app were near a $15B run-rate, and that 30% of eligible Mobility consumers had never used Eats. That is a large internal acquisition funnel. If a rider opens Uber for transportation and is later converted to Delivery, the acquisition path may be cheaper than buying the user through paid marketing. If Uber One binds that consumer across both rides and delivery, frequency and retention can improve. This does not eliminate competition, but it changes the customer acquisition equation.

Advertising is another differentiator if Uber can prove merchant ROI. Delivery marketplaces own high-intent moments: a consumer is deciding where to eat, what to buy, or which store to use. Sponsored placements can be valuable if they deliver incremental orders. But ad load is a balancing act. Too little advertising leaves money on the table. Too much can degrade search quality, hurt trust, and make merchants feel forced to pay tolls rather than buying incremental demand. The base forecast assumes advertising remains a margin enhancer, not an unlimited take-rate lever.

Grocery and retail are the most open competitive frontier. They expand the use case, but they also put Uber against entrenched grocers, Amazon, Instacart, and merchant-specific logistics. Grocery margins may be lower, basket complexity higher, and substitution or out-of-stock issues more damaging to customer experience. The bull case requires Uber to turn its local-commerce infrastructure into a broad convenience layer without letting lower-margin categories dilute the restaurant profit pool.

5. Segment-Level Moat

Delivery's moat is real but bounded. The strongest pieces are local density, cross-platform consumer demand, merchant breadth, courier liquidity, routing and dispatch data, payments and support infrastructure, membership, and advertising inventory. These are reinforcing when they work together. More consumers attract more merchants; more merchants increase selection; more orders improve courier utilization; better courier liquidity improves delivery time; better delivery time improves conversion; more conversion improves merchant ROI; higher merchant ROI can support advertising spend; membership can increase frequency and retention.

The most differentiated part of Uber's Delivery moat is not restaurant delivery by itself. It is the combination of Delivery with Mobility. A pure delivery competitor can build a strong restaurant marketplace, but it does not have Uber's ride-hailing demand surface. The data package's near $15B run-rate of Delivery Gross Bookings from the Mobility app is direct evidence that the two businesses interact. Uber One then sits above both, making the consumer relationship more frequent and potentially reducing churn. That cross-platform structure is why Delivery should be valued as part of Uber's platform, not as an isolated food-delivery app.

Merchant-side economics are the second moat test. A marketplace that creates incremental demand, reliable fulfillment, and useful advertising can hold merchant participation even with meaningful fees. A marketplace that becomes merely a toll on orders merchants would otherwise receive will face churn, regulation, direct-channel bypass, and commission pressure. Uber's ability to grow Delivery revenue at 25% to 34% year over year in the last four quarters while holding Segment Operating Income margin near 18% suggests the merchant and consumer value proposition still works, but it does not prove terminal durability.

Courier liquidity is a third advantage, particularly if couriers can switch between delivery categories or if Uber's broader platform supports better earning opportunities. However, courier supply is not owned. Earnings floors, worker classification rules, local labor regulations, insurance, and competing platforms can all pressure the supply side. Delivery's moat is therefore weaker than a pure software network with near-zero marginal fulfillment cost. The business still depends on real-world labor and local operations.

Advertising can deepen the moat if it becomes a high-ROI merchant tool. A merchant that uses Uber for demand, fulfillment, and ads becomes more embedded. But advertising can also reveal fragility if merchants feel they must buy placement to avoid being buried. The right moat conclusion is not "ads are pure upside." It is that ads are a high-margin lever that must be monitored through merchant retention, consumer experience, and order quality.

The 2031 moat question is whether Delivery becomes a broad local-commerce habit or remains a competitive promotion-prone restaurant and grocery delivery layer. The base case assumes the former, but with restraint. Delivery can compound at a mid-teens segment revenue rate for several years because the current quarter shows strong growth, Uber

One and Mobility cross-sell are underpenetrated, and grocery/retail/ads add runway. But the moat is not strong enough to assume 30% growth persists or margins mechanically rise into the high 20s. Local competition, labor cost, merchant bargaining, and category mix keep the bull case bounded.

6. Historical Growth Rates From Data Package

The historical table below uses the data package as the sole source of truth for Delivery historicals. Annual profit rows are Segment Adjusted EBITDA and are shown only as historical context because the forward profitability base must use homogeneous TTM Segment Operating Income. The cited rows are data_package.md:80-85 for annual Delivery revenue and adjusted EBITDA, data_package.md:97 for the TTM Segment Operating Income bridge, and quant_foundation.md:123-127 for TTM Delivery Gross Bookings, revenue, and profit bridge.

Metric	FY2021	FY2022	FY2023	FY2024	FY2025	Growth Readout	Source Rows
Delivery revenue ($B)	8.362	10.901	12.204	13.750	17.248	FY2021-FY2025 CAGR 19.9%; FY2023-FY2025 CAGR 18.9%	data_package.md:80-83
Revenue YoY	n/a	30.4%	12.0%	12.7%	25.4%	Growth reaccelerated sharply in FY2025	data_package.md:83
Segment Adjusted EBITDA ($B)	-0.348	0.551	1.506	2.471	3.572	Historical profit inflection from loss to scale profit	data_package.md:84
Adj EBITDA margin	-4.2%	5.1%	12.3%	18.0%	20.7%	Directional historical context only; not the TTM forward base	data_package.md:85
TTM Delivery Gross Bookings ($B)	n/a	n/a	n/a	n/a	96.479	TTM ending 2026-03-31	quant_foundation.md:123-127
TTM Delivery revenue ($B)	n/a	n/a	n/a	n/a	18.539	TTM revenue is 7.5% above FY2025 revenue, though not a clean YoY comparison	quant_foundation.md:123-127
TTM Delivery Segment OI ($B)	n/a	n/a	n/a	n/a	3.443	Homogeneous Segment Operating Income, not mixed Adjusted EBITDA	data_package.md:97; quant_foundation.md:126
TTM Delivery Segment OI margin	n/a	n/a	n/a	n/a	18.6%	Current forward profit base	data_package.md:97; quant_foundation.md:126

The quarterly table gives the recency signal. Delivery's last four disclosed year-over-year revenue growth rates were 25%, 29%, 30%, and 34%. These are unusually strong for a segment already above $18B of TTM revenue. Just as important, the homogeneous Segment Operating Income margin did not collapse during the acceleration. The source rows are data_package.md:127-140 and quant_foundation.md:64-80.

Quarter	Gross Bookings ($B)	Revenue ($B)	Revenue YoY	Segment OI ($B)	Segment OI Margin	Revenue / Gross Bookings	Source Rows
Q2 2025	21.734	4.102	25.0%	0.766	18.7%	18.9%	data_package.md:127-130
Q3 2025	23.322	4.477	29.0%	0.811	18.1%	19.2%	data_package.md:132-134
Q4 2025	25.431	4.892	30.0%	0.905	18.5%	19.2%	data_package.md:135-137
Q1 2026	25.992	5.068	34.0%	0.961	19.0%	19.5%	data_package.md:138-140
TTM	96.479	18.539	n/a	3.443	18.6%	19.2%	quant_foundation.md:123-127

The growth history supports a high base case, but the appendix should separate base-rate math from recency extrapolation. FY2021-FY2025 revenue CAGR was 19.9%, and FY2023-FY2025 CAGR was 18.9%. The most recent four quarters are growing faster than that, but a five-year forward forecast from 2026-03-31 should assume moderation as the segment gets larger and as competition reacts.

7. Management Guidance From Data Package Section 6

Section 6 of the data package is the management commentary source. It does not give a formal five-year Delivery revenue target. It does, however, provide several directional claims that matter to the model.

First, Q1 2026 CEO Dara Khosrowshahi's 2026-05-06 paraphrased commentary in data_package.md:151 said growth was balanced, with Delivery led by grocery and retail. The model implication in the package is to use Delivery as a core engine, while avoiding product-level revenue invention. This supports the idea that Delivery's FY2025 and Q1 2026 acceleration was not just a one-quarter restaurant delivery spike.

Second, Q1 2026 CFO Balaji Krishnamurthy's 2026-05-06 paraphrased commentary in data_package.md:153 says Delivery Gross Bookings from the Mobility app were already near a $15B run-rate, with 30% of eligible Mobility consumers never having used Eats. That is a direct cross-sell runway. It tells us that a large consumer base is already generating Delivery demand from outside the dedicated Eats funnel, but also that a meaningful cohort remains unconverted. In the model, this justifies sustained segment-level growth above mature restaurant delivery growth.

Third, Q3 2025 CFO Prashanth Mahendra-Rajah's 2025-11-04 paraphrased commentary in data_package.md:158 said Delivery growth accelerated broadly across multiple markets, and that Grocery and Retail introduced consumers into online food delivery. This supports the assumption that Grocery and Retail is a customer acquisition and frequency driver, not merely a low-margin bolt-on. The model still treats it cautiously because no standalone revenue or profit table is disclosed.

Fourth, Q2 2025 CEO Dara Khosrowshahi's 2025-08-06 quoted phrase in data_package.md:160 described cross-platform engagement as "just scratching the surface." The same Section 6 source in data_package.md:161 paraphrases that dual Mobility and Delivery users had 35% higher retention and generated about three times gross bookings and profit versus single-business consumers. That is the strongest qualitative moat evidence for the Delivery segment. It supports higher retention, better frequency, and lower acquisition cost, but the appendix does not convert it into a separate product revenue line.

Fifth, the product-KPI table in data_package.md:120 says Uber One exceeded 50M members globally and that roughly half of Mobility and Delivery Gross Bookings came from members, with the Q1 2026 prepared remarks as source. This supports the base and bull assumptions that membership can help order frequency and retention. The offset is that data_package.md:213 identifies Uber One profitability and churn as a true non-disclosure. Membership is therefore a moat indicator, not a directly modeled profit pool.

The management guidance conclusion is supportive but not a blank check. Management's comments justify Delivery as a core growth engine, with cross-platform conversion, Uber One, grocery/retail, and ads as real levers. They do not disclose enough to forecast product revenue inside Delivery or to assume margin expansion without monitoring promotions, merchant ROI, courier costs, and category mix.

8. Forward Growth Assumptions - Bear, Base, Bull

The forward horizon is 2031-03-31, exactly five calendar years from the TTM end. The starting point is TTM Delivery revenue of $18.539B. The scenario CAGRs below are rounded from the tapered annual rollups in Section 10, so the displayed terminal revenue ties to the exact year-by-year path within rounding. The scenario assumptions are intentionally segment-level because Uber does not disclose product revenue inside Delivery. Product and sub-line rows below are forecast treatments, not dollar forecasts.

Scenario	Segment Revenue CAGR	2031-03-31 Revenue ($B)	Core Assumption	Why It Could Happen
Bear	11.0%	31.2	Growth normalizes quickly as competition, merchant pressure, consumer fee fatigue, and grocery complexity absorb recency strength	Delivery remains profitable but becomes a good local-commerce business, not a compounding breakout
Base	15.0%	37.3	Growth moderates from recent 25%-34% quarterly revenue growth but stays well above mature consumer internet because cross-sell, ads, Uber One, and grocery/retail keep expanding	Current TTM scale, high recent growth, and management cross-platform evidence support a multi-year runway
Bull	17.6%	41.7	Uber turns Delivery into a broader local-commerce habit while maintaining restaurant share and scaling ads without damaging merchant ROI	Mobility app funnel, Uber One, grocery/retail, and ads compound together with limited promotion escalation

Delivery Sub-Line	Disclosure Status	Forecast Treatment	Bear Case Role	Base Case Role	Bull Case Role
Restaurant delivery	Segment revenue only	Modeled inside total Delivery revenue	Mature growth, higher competition, limited take-rate upside	Stable anchor with density-driven fulfillment gains	Strong selection and ad monetization defend growth
Grocery and Retail	KPI/commentary only, no product revenue	Growth driver only, not a dollar line	Dilutes margin due to complexity and incumbent pressure	Adds frequency and new use cases without major margin dilution	Becomes a recurring local-commerce habit
Uber Direct	Commentary only, no product revenue	Growth driver only, not a dollar line	Lower-margin logistics-like volume	Improves courier density and enterprise relevance	Expands merchant integrations and utilization
Advertising	KPI/commentary only in this package, no full product revenue table	Margin and monetization driver only	Ad load or merchant ROI limits upside	High-margin mix enhancer	Becomes a scaled local-commerce retail-media layer
Uber One effects	Members and bookings mix disclosed, no profitability	Retention/frequency driver only	Benefits subsidize usage and limit profit lift	Improves cross-platform frequency and retention	Deepens habit and reduces acquisition cost materially
Mobility app cross-sell	Gross Bookings run-rate disclosed	Acquisition and frequency driver	Conversion slows after early wins	Continued internal funnel for Delivery users	Large underpenetrated Mobility cohort converts

The base case is not a straight-line extrapolation of the latest 34% quarterly revenue growth. It assumes the current acceleration fades toward a still-strong mid-teens compound rate. This is appropriate because the segment already has nearly $100B of TTM Gross Bookings and because local delivery competition is aggressive. The bull case does not use a 25% plus CAGR because that would require either persistent category expansion at large scale or a much larger take-rate increase than the package supports. The bear case still grows at 11% because the current quarterly trend, Uber One, and cross-platform funnel make a flat revenue case too punitive absent a specific shock.

9. Forward Operating Margin Assumptions

The margin base is TTM Delivery Segment Operating Income of $3.443B on TTM revenue of $18.539B, or 18.6%. This is a homogeneous Segment Operating Income margin, not mixed adjusted EBITDA. The forward model uses operating margin on segment revenue and does not allocate corporate G&A or Platform R&D into Delivery.

Scenario	Starting Margin	2031-03-31 Segment OI Margin	2031-03-31 Segment OI ($B)	Margin Logic	Key Failure Point
Bear	18.6%	19.5%	6.1	Delivery keeps scale profit but most ad and density benefits are offset by promotions, grocery complexity, courier cost, and merchant bargaining	Growth decelerates while competition prevents real operating leverage
Base	18.6%	22.5%	8.4	Ads, density, batching, cross-sell, and Uber One lift revenue quality, while promotions and category mix prevent a more extreme margin	Advertising and grocery/retail must scale without impairing consumer and merchant economics
Bull	18.6%	25.0%	10.4	Delivery becomes a high-quality local-commerce and ads platform with strong retention and order density	Bull case breaks if merchant ROI or courier economics deteriorate

The base margin path adds roughly 390 basis points over five years. That is meaningful but not heroic. Delivery already has high-teens segment margins; the base case assumes it can move into the low 20s as advertising grows and density improves. The bear margin still rises modestly because the segment has already demonstrated stable high-teens margins through rapid growth. The bull margin reaches 25%, which is possible for a scaled marketplace with advertising and membership, but it is not the default because the business has real-world fulfillment costs and local regulation.

The main sensitivity is the relationship between growth mix and margin. Restaurant delivery may have better-understood economics, while grocery and retail can add complexity. Uber Direct can increase utilization but may price more like logistics than marketplace demand generation. Advertising can lift margins but only if merchants keep paying for incremental orders. Uber One can improve frequency but may include fee benefits that reduce monetization per order. The model therefore treats margin expansion as earned through proof, not automatic with scale.

10. Segment Rollup

The segment rollup below starts from the TTM 2026-03-31 base and rolls forward one year at a time to the 2031-03-31 horizon. Revenue growth rates are scenario-specific and intentionally taper. Margins are segment operating margins before corporate allocation.

Case	Period End	Revenue Growth	Revenue ($B)	Segment OI Margin	Segment OI ($B)
Bear	2026-03-31 TTM base	n/a	18.539	18.6%	3.443
Bear	2027-03-31	15.0%	21.320	18.7%	3.987
Bear	2028-03-31	13.0%	24.092	18.8%	4.529
Bear	2029-03-31	11.0%	26.742	19.0%	5.081
Bear	2030-03-31	9.0%	29.149	19.3%	5.626
Bear	2031-03-31	7.0%	31.190	19.5%	6.082
Base	2026-03-31 TTM base	n/a	18.539	18.6%	3.443
Base	2027-03-31	18.0%	21.876	19.2%	4.200
Base	2028-03-31	16.0%	25.376	20.0%	5.075
Base	2029-03-31	15.0%	29.183	20.8%	6.070
Base	2030-03-31	14.0%	33.269	21.7%	7.218
Base	2031-03-31	12.0%	37.261	22.5%	8.384
Bull	2026-03-31 TTM base	n/a	18.539	18.6%	3.443
Bull	2027-03-31	21.0%	22.432	19.5%	4.374
Bull	2028-03-31	19.0%	26.694	21.0%	5.606
Bull	2029-03-31	18.0%	31.499	22.5%	7.087
Bull	2030-03-31	16.0%	36.539	24.0%	8.769
Bull	2031-03-31	14.0%	41.655	25.0%	10.414

Case	Probability Weight	Why This Weight Is Defensible
Bear	25%	Delivery is already profitable with strong recent growth, so a collapse is not the central case; local competition, grocery complexity, merchant pushback, and courier regulation still make a meaningful downside state plausible.
Base	55%	The base case gets the highest weight because it uses the verified high-growth TTM base, Section 6 cross-platform evidence, and disclosed Uber One engagement while tapering growth and allowing only measured margin expansion.
Bull	20%	The bull case needs several levers to work together: local-commerce habit formation, sustained ad ROI, continued Mobility-app conversion, limited promotion escalation, and no major courier-cost shock.

The segment rollup is internally consistent with the source base. TTM revenue of $18.539B and Segment Operating Income of $3.443B match the QF and data package. The 2031 base case produces $37.261B of Delivery revenue and $8.384B of Segment Operating Income. That means Delivery would add roughly $18.7B of revenue and $4.9B of Segment Operating Income over five years. This is a large contribution to Uber's company-level earnings model, but it is not a free-standing valuation conclusion because corporate costs, Mobility, Freight, taxes, interest, share count, and valuation multiple must be handled in synthesis.

One important interpretation: Delivery's base case does not need extreme margin expansion to matter. The segment already earns $3.443B of TTM Segment Operating Income. If revenue compounds at 15% and margin expands to 22.5%, Delivery becomes an $8.4B segment operating income business by 2031. Conversely, if growth slows to 11% and margin barely improves, it still reaches about $6.1B of segment operating income. The main downside to the company thesis is not that Delivery goes away; it is that investors may capitalize an overly bullish version of Delivery while local competition and category mix limit upside.

11. Risks And Wildcards

The risks below are case-tagged because Delivery's downside is not one generic "competition" bucket. Different failure modes break different scenarios.

Risk / Wildcard	Case Tag	Segment-Specific Mechanism	Watch Item
Local delivery competition	Bear / Base	DoorDash-like local champions, Instacart, Amazon, grocers, restaurants' own channels, and regional delivery players can pressure fees, promotions, merchant relationships, and consumer habit. Delivery marketplaces are not winner-take-all globally.	Promotions, merchant exclusivity, delivery-time gaps, and market-share commentary.
Merchant economics and advertising ROI	Bear / Base	If merchants view Uber as incremental demand plus reliable fulfillment, they tolerate commissions and ads; if they view Uber as a tax on demand they could own directly, they push back through direct ordering, pickup incentives, lower ad budgets, regulation, or churn.	Merchant churn, ad-load complaints, commission regulation, and lower ad-spend intensity.
Courier cost and local regulation	Bear	Delivery depends on real people moving goods through cities. Local earnings floors, worker classification, benefits, insurance, accident liability, and supply constraints can raise cost even when routing and batching improve.	Earnings-floor laws, driver classification rulings, insurance expense, courier supply metrics.
Grocery and retail mix	Bear / Bull	Grocery and retail broaden the addressable market, but substitutions, out-of-stocks, basket picking, larger orders, store integration, and incumbent competition can reduce margin. In the bull case, this same category mix becomes a recurring local-commerce habit.	Grocery/retail growth commentary, margin direction, substitution quality, merchant integrations.
Consumer fee sensitivity and Uber One subsidy	Bear / Base	Delivery is convenient but expensive relative to pickup or cooking at home. Uber One can reduce friction, but membership benefits can also subsidize users if not priced correctly.	Frequency, fee complaints, membership churn, and any disclosed change in benefits economics.
Data opacity	Base / Bull	The data package flags true non-disclosure for product revenue inside Delivery, Uber One profitability and churn, product-level corporate allocations, and AV or partner economics, so one strong lever could mask weakness elsewhere.	New product disclosures, segment bridge changes, or unexplained divergence between revenue growth and Segment OI margin.
Platform trust	Bear / Base	Delivery depends on reliable estimated times, accurate orders, refunds, merchant quality, courier behavior, and consumer support. Bad local experiences can quickly damage frequency, especially in grocery and retail.	Refunds, support quality, delivery-time reliability, grocery substitution performance.
Platform breadth wildcard	Bull	If the Mobility app and Uber One continue feeding Delivery, if ads scale as a merchant ROI product, and if grocery/retail becomes a recurring local habit, Delivery can become a high-frequency local-commerce layer attached to Uber's broader consumer operating system.	Mobility-app Delivery run-rate, Uber One mix, ad ROI, and grocery/retail retention.

Final Summary Table

Item	Bear	Base	Bull	Evidence / Watch Item
TTM base revenue ($B)	18.539	18.539	18.539	data_package.md:97 and quant_foundation.md:126
TTM base Segment OI ($B)	3.443	3.443	3.443	Homogeneous Segment Operating Income, data_package.md:97 and quant_foundation.md:126
TTM base Segment OI margin	18.6%	18.6%	18.6%	Calculated from $3.443B / $18.539B source base

Item	Bear	Base	Bull	Evidence / Watch Item
2031-03-31 revenue ($B)	31.190	37.261	41.655	Section 10 rollup from TTM base and scenario-specific annual growth path
2031-03-31 Segment OI margin	19.5%	22.5%	25.0%	Margin expansion depends on ads, density, Uber One, and category mix
2031-03-31 Segment OI ($B)	6.082	8.384	10.414	Revenue multiplied by terminal segment OI margin
Probability weight	25%	55%	20%	Non-uniform weights from Section 10 scenario weighting table
Main upside lever	Cross-sell still works	Ads plus density plus Uber One	Broad local-commerce habit	Product dollars undisclosed; monitor KPIs
Main downside lever	Competition and grocery complexity	Merchant ROI and promotion discipline	Bull case over-earns ads/membership	Watch product revenue disclosure gaps
Segment moat grade	Moderate	Good but local	Stronger platform flywheel	Local density and cross-platform demand are key
Data confidence	Medium-high at segment level	Medium-high at segment level	Medium at sub-line level	Product-level revenue is true non-disclosure

Bottom line: Delivery is a genuine scaled profit pool, not a speculative side business. The verified TTM base is $18.539B of revenue and $3.443B of homogeneous Segment Operating Income, with recent quarterly revenue growth of 25% to 34% and stable high-teens margins. The base case takes Delivery to $37.261B of revenue and $8.384B of Segment Operating Income by 2031-03-31. The main underwriting question is not whether Delivery has value; it is whether Uber can keep turning local-commerce breadth, Uber One, Mobility cross-sell, and advertising into profitable segment growth without losing the economics to merchant pushback, courier cost, grocery complexity, or local competition.

Appendix B3 - Freight

Uber Technologies, Inc. (UBER) - Appendix B: Freight Segment Deep Dive

Prepared by: Sub-Agent B - Freight Date: 2026-06-26 Workdir: C:\Users\Admin\OneDrive\GPT\ER 2.0\Uber Technologies Segment: Freight TTM anchor: Q2 2025 plus Q3 2025 plus Q4 2025 plus Q1 2026, ending 2026-03-31 Forward horizon: 2031-03-31, exactly five calendar years from the TTM end date

0. Segment Boundary And Taxonomy Note

Freight is Uber's reportable freight brokerage and managed transportation segment. The current three-segment structure is stable from FY2023 onward: Mobility, Delivery, and Freight. The data package notes that FY2021 and FY2022 still included residual All Other activity from exited or non-current areas, but Freight itself is a continuing reportable segment and the model here uses Freight dollars only. The relevant taxonomy change for this appendix is not a segment-name restatement; it is the Q1 2026 profitability metric change. Before Q1 2026, Uber reported Segment Adjusted EBITDA in quarterly releases. In Q1 2026, Uber moved the quarterly bridge to Segment Operating Income and Non-GAAP Operating Income. The controlling TTM profitability base is therefore the homogeneous Segment Operating Income bridge captured from Uber Q1 2026 supplemental page 27, not a mix of Segment Adjusted EBITDA and Segment Operating Income. The data package states the load-bearing rule directly: Freight TTM revenue is $5.176B and Freight TTM Segment Operating Income is -$0.114B, a -2.2% margin, using Q2 2025 through Q1 2026 only [data_package lines 8-9, 37-39, 97, 123-140; QF lines 57, 123-129, 169-172].

1. What Freight Actually Is

Freight is not "Uber for riders" with trucks simply swapped in for cars. It is Uber's freight brokerage and managed transportation business: a logistics intermediary that connects shippers with carriers, helps source capacity, and increasingly wraps those brokerage transactions with software, transportation management, procurement, routing, settlement, visibility, and network optimization services. The data package's taxonomy row describes Freight as a segment that "connects shippers and carriers in a logistics marketplace and related managed transportation activity" [data_package line 37]. The product table gives the finest dollar granularity available: "Freight brokerage and managed transportation" with only segment revenue disclosed [data_package line 112].

The customer is a shipper, typically an enterprise, manufacturer, retailer, CPG company, chemical producer, food and beverage company, automotive supplier, packaging company, or other business that needs goods moved across North America. The supply side is a carrier network of trucking providers and other transportation capacity. Uber Freight is licensed as a freight broker and is not a motor carrier, which matters because the business is intended to be asset-light rather than a fleet-owning trucking model. Uber Freight's own current website describes solutions across TMS, managed transportation, freight brokerage, multimodal capacity, and shipper/carrier tools; it also says Uber Freight is a licensed freight broker and not a motor carrier [Uber Freight](https://www.uberfreight.com/en-US) lines 99-106 and 155-167.

The pricing model is not disclosed in the data package at a clean unit level. In a conventional freight brokerage transaction, the broker buys transportation capacity from carriers and sells a transportation solution to shippers, earning a spread after purchased transportation costs. In managed transportation, the economics can include service fees, procurement and optimization services, TMS-driven workflow, and network management, but Uber does not disclose the split between brokerage gross spread and managed services fees inside Freight. This appendix therefore treats Freight as one economic line rather than dividing it into fabricated brokerage, managed transportation, and TMS revenue pools.

The go-to-market is enterprise and logistics-led, not primarily consumer-app-led. That makes Freight fundamentally different from Mobility and Delivery. Mobility and Delivery benefit from enormous consumer frequency, cross-platform membership, and local marketplace density. Freight has a shipper procurement cycle, carrier coverage requirements, a cyclical truckload market, and direct competition from established freight brokers and 3PLs. The Freight unit can still use Uber's technology, data science, and brand, but it cannot automatically inherit the consumer network effects of the rides and food-delivery marketplaces.

2. Current Economics

Freight is small in Uber's mix and currently weak. FY2025 Freight revenue was $5.099B, or 9.8% of Uber's FY2025 revenue [data_package lines 41-45]. TTM Freight revenue was slightly higher at $5.176B, reflecting Q2 2025 through Q1 2026, but the TTM profit bridge was still negative: Freight Segment Operating Income was -$0.114B, or -2.2% of revenue [data_package lines 123-140; QF lines 123-127]. This is the correct profitability anchor for the forward model. The annual Segment Adjusted EBITDA table shows that Freight was near breakeven on an adjusted EBITDA basis in FY2022, then negative again in FY2023-FY2025: -$0.064B in FY2023, -$0.074B in FY2024, and -$0.033B in FY2025 [data_package lines 89-94]. But annual adjusted EBITDA is retained only as directional history, not the model base.

The quarterly trend is mixed. Freight revenue was $1.261B in Q2 2025, $1.308B in Q3 2025, $1.270B in Q4 2025, and $1.337B in Q1 2026 [data_package lines 127-140]. Reported Freight revenue YoY was -1.0% in Q2 2025, 0.0% in Q3 2025, 0.0% in Q4 2025, and +6.0% in Q1 2026 [data_package lines 131, 134, 137, 140]. Management's data-package summary says Freight returned to growth in Q1 2026 after a prolonged weak period, but the commentary is explicitly thin and lacks a margin target [data_package lines 151 and 164]. A single +6% quarter after almost two years of softness is a useful sign of stabilization, not proof of a durable compounding engine.

Gross Bookings and revenue are nearly identical for Freight over the TTM: TTM Gross Bookings of $5.168B and TTM revenue of $5.176B [QF lines 123-127]. This differs from Mobility and Delivery, where revenue is a take rate on much larger Gross Bookings. The near one-for-one relationship in Freight suggests that the revenue presentation captures the gross freight transaction or managed transportation revenue base rather than a pure net commission economics comparable to Mobility's platform take rate. That is another reason margin assumptions must remain conservative. Freight has lower structural margin potential than Uber's best marketplace segments because the purchased-transportation component, customer procurement sensitivity, and truckload cycle can consume a large share of gross value.

Capital intensity at the consolidated company is low, but Freight-specific capital intensity is not separately disclosed. The data package says Uber is now a high-FCF, low-capex marketplace, with FY2025 capex of $0.336B against $52.017B of revenue and FY2025 FCF of $9.763B [data_package line 176]. Freight should be asset-light relative to fleet ownership, but that does not mean it is high-margin. The segment can require investment in sales coverage, account management, carrier operations, claims, procurement tools, TMS, and managed-transportation service capacity. The cost base is more operationally intensive than a pure software product and more cyclical than a scaled consumer marketplace.

3. Unit Economics

Freight unit economics begin with lane-level shipper demand and carrier supply. Uber Freight must quote a price to move freight for a shipper and then secure carrier capacity at a cost that leaves sufficient spread after operations, claims, service, and technology costs. In loose capacity environments, brokers can often find capacity more easily but pricing pressure can lower revenue and gross profit per load. In tight capacity environments, brokers may win revenue from shippers who need capacity, but buy rates can move faster than sell rates and compress gross margin. That is why freight brokerage can have ugly cyclicality even when the company is asset-light.

The data package does not disclose load count, load-level gross margin, revenue per load, carrier count, shipper count, or Freight-specific take rate. [DATA GAP: Uber Freight load volume, shipper count, carrier count, net revenue, and purchased transportation costs are not disclosed in the verified data package.] The model must therefore use revenue growth and Segment Operating Income margin as the controllable outputs. The current evidence says the segment is at or below breakeven. TTM Segment Operating Income was -$0.114B on $5.176B of revenue [QF lines 123-127]. That means the segment must improve roughly $114M just to reach zero operating income before generating any contribution to Uber's company-level operating profit.

There are two plausible paths to better unit economics. The first is cyclical normalization. If the truckload market improves, demand grows, pricing stabilizes, and carrier capacity exits enough to support healthier brokerage spreads, Freight could produce positive operating leverage without explosive top-line growth. RXO's Q4 2025 release is a useful industry read-through: management described a significantly tighter full-truckload market that squeezed Brokerage gross margin, while also noting soft demand and sales momentum [RXO Q4 2025 release](https://investors.rxo.com/news/news-details/2026/RXO-Announces-Fourth-Quarter-Results/default.aspx) lines 45-52 and 62-82. That shows the industry can recover volume and still face margin pressure if buy rates move against brokers.

The second path is mix shift toward managed transportation and TMS, where customer relationships may be stickier and the value proposition is not only spot capacity matching. Uber Freight's managed transportation page claims $17B+ in freight under management, daily operations ownership, carrier management, performance tracking, and cost governance [Uber Freight Managed Transportation](https://www.uberfreight.com/en-US/solutions/managed-transportation) lines 92-114. That

may support customer retention and services revenue, but the data package does not translate it into segment revenue or margin dollars. A careful model can give limited credit to scale and mix, but not software-like margins.

The unit-economics downside is straightforward. If Freight has to chase volume in a competitive brokerage market, revenue can grow while Segment OI remains negative. If shipper procurement teams treat brokerage capacity as interchangeable, Uber Freight lacks pricing power. If carrier capacity tightens too quickly, gross margins can compress before shipper contracts reset. If managed transportation requires heavy service staffing, the revenue can be stickier but not necessarily high-margin. The base case here assumes Freight becomes modestly profitable by 2031, not that it becomes a high-return segment comparable to Mobility.

4. Competitive Dynamics

Freight competes with large traditional brokers, digital brokers, managed transportation providers, 3PLs, and transportation-management software providers. Direct names include C.H. Robinson, RXO, J.B. Hunt, TQL, XPO-related logistics offerings, Landstar, Schneider, and regional or specialized brokers. C.H. Robinson's 2025 10-K describes North American Surface Transportation as freight transportation services across North America, with primary services including truckload and LTL transportation brokerage [C.H. Robinson 2025 10-K](https://www.sec.gov/Archives/edgar/data/1043277/000104327726000009/chrw-20251231.htm) lines 239-256 and 2238-2242. RXO describes itself as a provider of asset-light transportation solutions offering tech-enabled truck brokerage, managed transportation, freight forwarding, and last mile delivery [RXO Q4 2025 release](https://investors.rxo.com/news/news-details/2026/RXO-Announces-Fourth-Quarter-Results/default.aspx) lines 88-89.

The competitive set matters because Freight's moat is weaker than the Uber consumer network. In Mobility, marketplace liquidity, brand habit, driver/rider density, and app distribution can reinforce one another. In Freight, shippers can run bids across multiple brokers, carriers can accept loads from multiple platforms, and procurement teams can pressure spreads. The service component can build switching costs, especially in managed transportation, but that switching cost is more relationship and workflow based than a classic consumer network effect. C.H. Robinson and RXO both have scale, carrier networks, enterprise sales relationships, and technology programs. Uber Freight is not the only scaled player claiming data, automation, and network intelligence.

Freight also sits in a cyclical end market. Demand depends on goods volumes, inventory cycles, retail and manufacturing throughput, import flows, and industrial production. Supply depends on carrier capacity, fuel, driver availability, small-carrier bankruptcies, and equipment costs. When capacity is loose, shippers have leverage. When capacity tightens, brokers can face rising buy rates and service pressure. The RXO Q4 2025 release is a useful reminder: even a tightening market can squeeze Brokerage gross margin, and RXO guided Q1 2026 Brokerage volume down 5% to 10% with gross margin of 11% to 13% [RXO Q4 2025 release](https://investors.rxo.com/news/news-details/2026/RXO-Announces-Fourth-Quarter-Results/default.aspx) lines 78-82.

Uber Freight's possible edge is data and workflow integration. Its TMS and network-intelligence messaging emphasizes predictive signals, routing and capacity decisions, and network-level data across many shipper networks [Uber Freight](https://www.uberfreight.com/en-US) lines 99-106. Its managed transportation page emphasizes $17B+ in freight under management and the ability to take ownership of operations and governance [Uber Freight Managed Transportation](https://www.uberfreight.com/en-US/solutions/managed-transportation) lines 92-114. Those are credible assets. But for ER2 purposes, the evidence must show up in durable growth or margin. The historical segment data has not yet done that. Revenue declined from $6.947B in FY2022 to $5.099B in FY2025, and annual adjusted EBITDA stayed around breakeven to negative [data_package lines 89-94].

Pricing power appears limited. Freight brokerage is generally negotiated, bid-driven, and service-level dependent. A broker can earn more when it has unique capacity, superior service, or data-driven optimization, but those advantages face constant competition. Managed transportation may be stickier because it embeds a provider into planning, procurement, and execution; however, managed transportation can also be won or lost through RFPs and service scorecards. In this appendix, Freight is modeled as a modest cyclical recovery and scale-improvement asset, not as a standalone moat engine.

5. Segment-Level Moat

Freight has a partial moat, but not a strong one. The strongest moat argument is that enterprise transportation workflows are messy, data-rich, and operationally complex. If Uber Freight sits inside a shipper's transportation management processes, runs procurement, manages carrier relationships, and proves cost savings over time, the relationship becomes harder to displace than a one-off spot brokerage load. Uber Freight's public materials cite 8.5 years of average customer tenure and

98% customer retention across complex transportation networks [Uber Freight](https://www.uberfreight.com/en-US) lines 124-127. That supports some customer stickiness.

The second moat argument is scale data. A large network of shipper lanes, carrier interactions, pricing signals, service events, and exception handling can improve quoting, carrier matching, and network design. In theory, the more freight under management, the better the system becomes at seeing lane-level imbalances and recommending procurement or routing choices. Uber Freight's managed transportation page says it has $17B+ in freight under management [Uber Freight Managed Transportation](https://www.uberfreight.com/en-US/solutions/managed-transportation) lines 92-94. That is meaningful scale, and it can help in procurement and network optimization.

The skeptical view is stronger. Freight brokerage has low structural switching costs for many transactions. Carriers can multi-home. Shippers can multi-source. Competitors have their own large datasets and long customer relationships. C.H. Robinson has a large NAST franchise, RXO has tech-enabled brokerage and managed transportation, and other brokers have specialized strengths. Uber Freight's data advantage must be proven against operators whose entire businesses are already freight. A better app interface is not enough to create a durable moat if the customer mostly cares about price, coverage, claims, and service reliability.

The historical numbers do not yet show a moat. A moated segment should not need heroic explanation to reach profitability at $5B+ of revenue. Freight generated FY2025 revenue of $5.099B and annual Segment Adjusted EBITDA of only -$0.033B [data_package lines 89-94]. The TTM Segment Operating Income base is worse at -$0.114B [QF line 127]. The segment has scale but has not converted that scale into meaningful operating income. That makes the moat conclusion YELLOW/weak at the segment level: there are signs of customer stickiness and operational data advantages, but the economic proof is not yet visible.

For the company-level ER2 thesis, this matters because Freight should not be used to justify a high consolidated return unless the main earnings model shows that Mobility and Delivery carry the case. Freight can add optionality if it turns profitable, but the base case here contributes only $0.090B of operating income by 2031. That is useful but not thesis-making. If Uber Freight surprises positively, it can improve the synthesis; if it simply remains breakeven, it does not break Uber. The danger is analytical overreach: treating Freight's revenue base as if it deserves Mobility-like margins without evidence.

6. Historical Growth Rates From The Data Package

The historical table below reproduces only verified data-package figures. Freight has no disclosed product-level revenue beneath the reportable segment, so the single product/sub-segment line is Freight brokerage and managed transportation. FY2023-FY2025 revenue dollars come from the product and segment tables. The 3-year CAGR is calculated from the FY2022 base to FY2025 because the data package provides FY2022 and FY2025 revenue in the same Freight row; the latest YoY is FY2025 over FY2024 from the data package's calculated segment revenue row.

Product / sub-segment	FY-3 rev	FY-2 rev	FY-1 rev	3-yr CAGR	Most recent YoY	Data package cite
Freight brokerage and managed transportation	$5.245B FY2023 [data_package line 91]	$5.141B FY2024 [data_package line 91]	$5.099B FY2025 [data_package line 91]	-9.8% from FY2022 $6.947B to FY2025 $5.099B [data_package line 91]	-0.8% FY2025 [data_package line 92]	Segment dollars: data_package lines 89-94; product granularity: data_package line 112

Internal arithmetic checks:

- FY2024 to FY2025: $5.141B x (1 - 0.8%) = $5.100B, which ties to the disclosed $5.099B within rounding [data_package lines 91-92].
- FY2023 to FY2024: $5.245B x (1 - 2.0%) = $5.140B, which ties to the disclosed $5.141B within rounding [data_package lines 91-92].
- FY2022 to FY2025 3-year CAGR: ($5.099B / $6.947B)^(1/3) - 1 = -9.8%, showing that the segment is still recovering from a large post-FY2022 reset [data_package line 91].
- Recent TTM check: Q2 2025 to Q1 2026 Freight revenue sums to $5.176B: $1.261B + $1.308B + $1.270B + $1.337B [data_package lines 127-140; QF lines 48-53].

The important historical interpretation is that Freight is not a secular grower on the disclosed record. The segment exploded in FY2022, then contracted sharply in FY2023 and drifted lower in FY2024-FY2025. The Q1 2026 return to +6% YoY is

constructive but not enough to erase the trailing multi-year decline. The base case should therefore sit below Uber's Mobility and Delivery growth rates and should not assume a sudden high-margin expansion.

7. Management Guidance From Data Package Section 6

The data package includes only limited Freight-specific management commentary. It provides broad company momentum commentary and one Freight-relevant paraphrase in Q1 2026. The absence of a detailed Freight target is not a blank to fill optimistically; it is a modeling constraint.

Data package row	Speaker / period	Quote or paraphrase	Interpretation for Freight
data_package line 151	Dara Khosrowshahi, CEO, Q1 2026	Paraphrase: growth was balanced; Mobility Gross Bookings accelerated, Delivery was led by grocery and retail, and Freight returned to growth after nearly two years.	This is the only direct Freight growth anchor in the management table. It supports a recovery case but not a high-growth case.
data_package line 154	Dara Khosrowshahi, CEO, Q4 2025	Quote: clear operating framework to generate durable growth.	This is company-wide, not Freight-specific. It supports disciplined growth framing, but no Freight margin target is supplied.
data_package line 164	Data package segment summary	Freight commentary is thinner and mostly notes that Freight returned to growth in Q1 2026 after a prolonged weak period.	The package itself instructs downstream modeling to be conservative because detailed Freight guidance is absent.
data_package line 210	Open data gap	Freight forward margin detail is true non-disclosure after searching the last four calls, FY2025 10-K, Freight guidance, managed transportation, and brokerage margin.	[DATA GAP: no management-provided Freight forward margin target.] Use conservative recovery assumptions until management gives a more detailed bridge.

Management has not given a segment revenue CAGR, load-volume target, managed transportation mix target, Freight operating margin target, or explicit profitability date in the verified package. The best available management signal is that Freight returned to growth in Q1 2026 after nearly two years of weakness. That supports a base case where revenue grows again, but it does not support assuming that Freight becomes a high-margin compounding engine by 2031.

8. Forward Growth Assumptions

Forward growth starts from TTM Freight revenue of $5.176B, not FY2025 revenue, because the ER2 horizon is exactly five calendar years from the TTM end date [QF lines 123-127 and 169-172]. The segment is modeled as one disclosed line because the data package confirms that Uber does not separately disclose product revenue within Freight [data_package lines 101-112 and 209-210].

Base case:

Product	3-yr historical CAGR	Latest YoY	Mgmt FY+1 guide	Base CAGR TTM to TTM+5y	Justification
Freight brokerage and managed transportation	-9.8% from FY2022-FY2025 [data_package line 91]	+6.0% in Q1 2026 [data_package line 140]	Returned to growth after nearly two years, but no target [data_package lines 151, 164, 210]	3.0%	The base case gives credit for stabilization and managed-transportation stickiness, but keeps growth below Uber's core segments because the segment is cyclical, competitive, and still near/below breakeven.

Bear case:

Product	3-yr historical CAGR	Latest YoY	Mgmt FY+1 guide	Bear CAGR TTM to TTM+5y	Justification
Freight brokerage and managed transportation	-9.8% from FY2022-FY2025 [data_package line 91]	+6.0% in Q1 2026 [data_package line 140]	No margin or revenue target [data_package line 210]	-2.0%	The bear case assumes Q1 growth was a cyclical bounce rather than a durable turn, with shipper pricing pressure and broker competition keeping revenue below the TTM base.

Bull case:

Product	3-yr historical CAGR	Latest YoY	Mgmt FY+1 guide	Bull CAGR TTM to TTM+5y	Justification
Freight brokerage and managed transportation	-9.8% from FY2022-FY2025 [data_package line 91]	+6.0% in Q1 2026 [data_package line 140]	Freight returned to growth, but detailed targets absent [data_package lines 151, 164]	6.0%	The bull case assumes the Q1 2026 recovery persists, managed transportation wins improve retention, and freight-cycle normalization lifts revenue without requiring share gains that the data package does not prove.

The base case is deliberately below the +6% latest quarterly YoY because the latest quarter is a single period after a prolonged weak stretch. Year-by-year, a 3.0% CAGR can be read as approximately $5.33B in year 1, $5.49B in year 2, $5.66B in year 3, $5.83B in year 4, and $6.00B in year 5. That path is not a sharp deceleration from a robust growth segment; it is a modest recovery from a flat-to-declining segment. The bull case at 6.0% produces about $6.93B at the horizon, roughly equal to returning to the FY2022 revenue level over five years. That is an optimistic but bounded outcome. The bear case at -2.0% produces $4.68B, which is plausible if the segment keeps losing share or pricing after the cyclical bounce fades.

9. Forward Operating Margin Assumptions

The margin base is TTM Segment Operating Income margin, not annual Segment Adjusted EBITDA margin. Freight's TTM Segment Operating Income was -$0.114B on $5.176B of TTM revenue, or -2.2% [QF lines 123-127]. Annual adjusted EBITDA margins are included only as directional context: -1.2% in FY2023, -1.4% in FY2024, and -0.6% in FY2025 [data_package lines 89-94]. The base case asks the segment to move from -2.2% Segment OI margin to +1.5% by 2031. That is a 370 bps improvement, but it still leaves Freight as a low-margin logistics business, not a software-like marketplace.

Case	Current TTM Segment OI margin	TTM+5y Segment OI margin	Mechanism	Skeptical check
Bear	-2.2% [QF line 127]	-3.0%	Revenue drifts lower, carrier buy-rate volatility and shipper pricing pressure offset cost discipline.	Segment remains below breakeven despite scale; consistent with lack of disclosed margin target.
Base	-2.2% [QF line 127]	1.5%	Modest revenue recovery, better managed-transportation mix, procurement automation, and fixed-cost absorption move Freight into low positive OI.	Still far below Mobility and Delivery margins; does not credit a strong moat.
Bull	-2.2% [QF line 127]	4.0%	Freight cycle normalizes, managed transportation and TMS improve retention, and operating discipline lets scale convert to contribution.	Requires sustained execution and better evidence than the current package provides; capped at modest logistics margin.

The margin cases are intentionally narrow. A high-single-digit or double-digit operating margin would require stronger evidence of pricing power, net revenue mix, TMS software economics, or structural cost leverage than the data package provides. The competitor read-through supports caution. RXO reported Q4 2025 Brokerage gross margin of 11.9%, guided Q1 2026 Brokerage gross margin of 11% to 13%, and still reported companywide adjusted EBITDA margin of only 1.2% in Q4 2025 [RXO Q4 2025 release](https://investors.rxo.com/news/news-details/2026/RXO-Announces-Fourth-Quarter-Results/default.aspx) lines 54-82. That does not map exactly to Uber Freight's accounting, but it is a useful warning against modeling large operating margins in an asset-light freight broker merely because the broker uses technology.

The base case margin improvement is possible if Uber Freight uses technology to reduce manual brokerage labor, uses managed transportation to build recurring relationships, and stops carrying excess cost against a depressed freight revenue base. But the evidence remains insufficient for a high-return segment conclusion. The model therefore lets Freight become a small positive contributor by 2031 while leaving the company thesis to be carried by Mobility and Delivery.

10. Segment Rollup

The segment rollup is built bottoms-up from the single disclosed Freight line. Because there is no product revenue split below Freight, product revenue equals segment revenue in each case. Operating income equals segment revenue multiplied by the case margin. All values are in billions of dollars unless otherwise stated.

Case	Product line	TTM revenue base	Forward CAGR	TTM+5y revenue	TTM+5y OI margin	TTM+5y OI	Tie-out
Bear	Freight brokerage and managed transportation	$5.176	-2.0%	$4.680	-3.0%	-$0.140	$4.680 x -3.0% = -$0.140
Base	Freight brokerage and managed transportation	$5.176	3.0%	$6.000	1.5%	$0.090	$6.000 x 1.5% = $0.090
Bull	Freight brokerage and managed transportation	$5.176	6.0%	$6.926	4.0%	$0.277	$6.926 x 4.0% = $0.277

Case	Segment TTM+5y Revenue	Segment TTM+5y Op Margin	Segment TTM+5y Op Income	Product subtotal / segment total reconciliation
Bear	$4.680B	-3.0%	-$0.140B	Single disclosed product line equals segment total; no residual.
Base	$6.000B	1.5%	$0.090B	Single disclosed product line equals segment total; no residual.
Bull	$6.926B	4.0%	$0.277B	Single disclosed product line equals segment total; no residual.

The rollup is arithmetically simple because Uber discloses no Freight sub-product revenue. The analytical burden is not summation; it is avoiding false precision. The base case adds only $0.204B of operating income improvement from the TTM base: from -$0.114B to +$0.090B. That is meaningful to Freight, but small against Uber's company-level TTM Non-GAAP Operating Income bridge of $7.010B [QF lines 123-129]. The bull case adds roughly $0.391B of operating income improvement from the TTM base. That is still not enough to change the overall Uber thesis on its own.

11. Key Risks And Wildcards

Bear risk - freight recession or weak goods cycle: If industrial production, retail inventories, construction, or import volumes weaken, shipper demand can remain soft. Freight revenue could decline even if the broader Uber platform performs well. The segment's FY2022-FY2025 revenue decline shows that Freight is not insulated from freight-cycle resets [data_package line 91].

Bear risk - brokerage margin squeeze: Tightening carrier capacity can hurt brokers if buy rates rise faster than sell rates. RXO's Q4 2025 commentary specifically noted tightening full-truckload markets squeezing Brokerage gross margin [RXO Q4 2025 release](https://investors.rxo.com/news/news-details/2026/RXO-Announces-Fourth-Quarter-Results/default.aspx) lines 45-52. If Uber Freight faces the same dynamic, revenue recovery may not translate to operating income.

Bear risk - weak switching costs: Shippers and carriers can multi-home. Large enterprise shippers can run competitive bids. Freight brokerage relationships can be sticky, but they are not as locked in as a dominant consumer marketplace. If Uber Freight cannot prove service quality, cost savings, and coverage, the segment may stay structurally low-margin.

Base risk - managed transportation complexity: Managed transportation can improve retention, but it can also require service labor, implementation effort, and high-touch account management. If Uber Freight wins more freight under management but has to staff heavily to serve it, operating leverage may disappoint.

Base risk - disclosure opacity: The data package has a true non-disclosure flag for Freight forward margin detail after searching the last four calls and FY2025 10-K [data_package line 210]. That means the model cannot verify whether management has a credible path to segment-level margin expansion.

Bull wildcard - TMS and network intelligence scale: If Uber Freight's TMS, procurement, and predictive data layer become deeply embedded in shipper workflows, the segment could improve retention and convert a larger share of freight under management into higher-quality revenue. Uber Freight's website claims $17B+ in freight under management and emphasizes network-level insight [Uber Freight Managed Transportation](https://www.uberfreight.com/en-US/solutions/managed-transportation) lines 92-114. The bull case gives some credit, but the current financial history does not justify more.

Bull wildcard - freight cycle recovery plus cost discipline: Freight has already returned to growth in Q1 2026 after nearly two years of weakness [data_package lines 151 and 164]. If that is the start of a sustained freight-cycle recovery, and Uber Freight has already cut enough cost to benefit from incremental volume, the segment could reach the 4% bull margin. This is

plausible, but it remains an upside case rather than the base case.

Strategic wildcard - fit inside Uber: Freight may have strategic value as a logistics data asset and as proof that Uber can operate outside consumer mobility and local commerce. But if Freight continues to be low-return and subscale relative to Mobility and Delivery, management could eventually rationalize investment, seek partnerships, or deemphasize the segment. The appendix does not assume a divestiture, but the possibility matters because the business is not central to the consumer platform flywheel.

Final Summary Table

Case	Segment TTM+5y Revenue	Segment TTM+5y Op Margin	Segment TTM+5y Op Income	Probability
Bear	$4.680B	-3.0%	-$0.140B	30%
Base	$6.000B	1.5%	$0.090B	50%
Bull	$6.926B	4.0%	$0.277B	20%

Freight is a weak, small, and still unproven segment within Uber. It has real scale at $5.176B of TTM revenue, but the controlling TTM profitability bridge shows -$0.114B of Segment Operating Income. The segment has some plausible advantages in managed transportation, freight under management, TMS, data, and customer retention, but those advantages have not yet converted into durable reported profitability. The base case therefore assumes modest revenue recovery to $6.000B and only 1.5% operating margin by 2031. The bull case is not a high-return software outcome; it is a freight-cycle normalization and execution case. The bear case remains plausible because Freight has already shown that scale alone does not protect revenue or margin in a competitive logistics market.

Appendix S - Synthesis (Combined Earnings Model)

Uber Technologies, Inc. (UBER) - Synthesis / Combined Earnings Model

Date: 2026-06-26

This appendix builds the TTM+5-year combined earnings model for Uber Technologies, Inc. from the reviewed Mobility, Delivery, and Freight segment appendices. The model is anchored to TTM ending 2026-03-31 and rolls forward exactly five calendar years to 2031-03-31. It uses the critical homogeneous TTM Segment Operating Income bridge: Mobility $7.649B, Delivery $3.443B, Freight -$0.114B, Corporate G&A and Platform R&D -$3.968B, and Non-GAAP Operating Income $7.010B. It does not mix Segment Adjusted EBITDA with Segment Operating Income.

The base case clears Gideon's P/E 15 gate at the current price of $72.25. The base horizon EPS is $6.92, versus required EPS of $4.8167. Base EPS times 15 equals $103.83, creating a 43.7% cushion to the current price. That is a price-gate PASS, but the appendix preserves the moat and durability caveats from the upstream work: Management gate PASS, Moat gate YELLOW, and 2046 test YELLOW.

1. Anchors

Today is 2026-06-26. Uber's fiscal year ends December 31. The most recently completed fiscal quarter is Q1 2026, ended 2026-03-31 and reported 2026-05-06. The TTM anchor is Q2 2025 plus Q3 2025 plus Q4 2025 plus Q1 2026, ending 2026-03-31. The forward horizon is 2031-03-31, exactly 5.0 calendar years from the TTM end. The current price supplied for this synthesis is $72.25. Latest diluted shares from Q1 2026 are 2,071.391M. The latest completed fiscal year used for historical tie-out is FY2025.

The consolidated TTM financial base from the quantitative foundation is revenue of $53.687B, GAAP operating income of $6.260B, GAAP net income attributable of $8.540B, free cash flow of $9.799B, and latest diluted shares of 2,071.391M. The segment revenue base is Mobility $29.972B, Delivery $18.539B, and Freight $5.176B, which sums to $53.687B. The segment operating profit bridge is Mobility $7.649B, Delivery $3.443B, Freight -$0.114B, and corporate allocation -$3.968B, which sums to $7.010B of Non-GAAP Operating Income. This model uses that bridge for forward segment profitability and keeps GAAP consolidated operating income as a separate historical tie-out.

2. Segment-Level Forward Assumptions

The segment appendices are the controlling source for horizon revenue, segment margin, and segment operating income. Product lines inside Mobility and Delivery are not separately dollar-disclosed; each segment appendix therefore uses one revenue-bearing reportable segment row and treats products such as Reserve, Moto, Premium, Uber One, Grocery and Retail, Uber Direct, advertising, and AV partnerships as qualitative drivers rather than fabricated revenue lines. Freight is likewise one disclosed line: freight brokerage and managed transportation.

Segment	TTM revenue ($B)	Bear TTM+5y rev ($B)	Base TTM+5y rev ($B)	Bull TTM+5y rev ($B)	Bear OI margin	Base OI margin	Bull OI margin	Source
Mobility	29.972	44.039	52.821	60.284	24.5%	28.0%	30.0%	appendix_B_mobility.md sections 8-10
Delivery	18.539	31.190	37.261	41.655	19.5%	22.5%	25.0%	appendix_B_delivery.md sections 8-10
Freight	5.176	4.680	6.000	6.926	-3.0%	1.5%	4.0%	appendix_B_freight.md sections 8-10
Total / weighted	53.687	79.909	96.082	108.865	20.9% segment-only	24.2% segment-only	26.4% segment-only	Segment appendices plus synthesis sum

The Mobility case set is the main engine. Bear assumes 8.0% revenue CAGR and 24.5% horizon Segment OI margin. Base assumes 12.0% CAGR and 28.0% margin. Bull assumes 15.0% CAGR and 30.0% margin. Those figures give credit to marketplace density, cross-platform retention, Premium, Reserve, Moto, sparse geography penetration, insurance leverage, and AV supply partnerships, but they also respect the Q1 2026 warning that Mobility bookings growth can exceed Mobility revenue growth.

The Delivery case set is the second engine. Bear revenue reaches $31.190B at 19.5% margin, base reaches $37.261B at 22.5% margin, and bull reaches $41.655B at 25.0% margin. Delivery's base case gives weight to high recent revenue growth, Uber One, cross-platform funnel, grocery and retail, advertising, batching, and density. It does not assign separate revenue to those levers because the data package explicitly labels product revenue inside Delivery as true non-disclosure.

Freight is not a thesis carrier. Bear revenue falls to $4.680B and remains loss-making. Base revenue recovers modestly to $6.000B with only 1.5% margin. Bull revenue reaches $6.926B with 4.0% margin. That is deliberate. Freight may have managed-transportation and TMS value, but its TTM Segment Operating Income is negative and the upstream moat appendix says Freight does not currently clear a moat test.

3. Combined Revenue Build

The combined revenue build starts with the reportable segment horizon revenues and applies no corporate eliminations. This is because the quantitative foundation and data package show Mobility, Delivery, and Freight segment revenue summing exactly to consolidated TTM revenue, and the segment appendices model the same reportable revenue taxonomy. Any future change in segment reporting or eliminations would require a reconciliation line, but no such adjustment is supported in the current package.

Line	Bear	Base	Bull
Mobility horizon revenue ($B)	44.039	52.821	60.284
Delivery horizon revenue ($B)	31.190	37.261	41.655
Freight horizon revenue ($B)	4.680	6.000	6.926
Sum of segment TTM+5y revenue ($B)	79.909	96.082	108.865
Corporate eliminations ($B)	0.000	0.000	0.000
Combined TTM+5y revenue ($B)	79.909	96.082	108.865
TTM revenue base ($B)	53.687	53.687	53.687
Implied TTM to TTM+5y CAGR	8.3%	12.3%	15.2%

The base case is not a heroic company-level acceleration from the recent base. It is a weighted outcome from Mobility at 12.0%, Delivery at roughly 15.0% on its explicit annual path, and Freight at 3.0%. Combined revenue grows from $53.687B to $96.082B, an implied 12.3% CAGR over exactly five years. That is high for a company already above $50B of annual revenue, but it is not detached from the segment inputs. Mobility and Delivery both still have double-digit demand indicators, while Freight is muted.

The bear case still grows company revenue at 8.3% because the two core marketplaces remain growing even under pressure. It is not a macro-collapse case. It says Uber remains useful and large, but take rate, incentives, regulation, courier economics, and Freight weakness limit value capture. The bull case reaches $108.865B of revenue, a 15.2% consolidated CAGR, and requires several things to work at once: Mobility revenue must re-accelerate from the Q1 2026 revenue growth scare, Delivery must become a broader local-commerce habit, and Freight must normalize without consuming attention or capital.

4. Combined Operating Income Build

The key modeling issue is corporate allocation. The segment appendices report Segment Operating Income before Corporate G&A and Platform R&D. The TTM corporate allocation is -$3.968B. It is real economic cost and must not be hidden inside Mobility or Delivery. The model grows that corporate allocation at 5.0% per year for five years, producing a 2031-03-31 allocation of -$5.064B. This is slower than base-case revenue growth because platform overhead should scale, but it is still a sizable dollar increase because Uber must keep investing in R&D, safety, regulatory operations, payments, support, insurance tooling, AV commercialization infrastructure, and public-company functions.

Line	Bear	Base	Bull
Mobility Segment OI ($B)	10.789	14.790	18.085
Delivery Segment OI ($B)	6.082	8.384	10.414
Freight Segment OI ($B)	-0.140	0.090	0.277
Sum of segment TTM+5y OI ($B)	16.731	23.264	28.776

Line	Bear	Base	Bull
Unallocated corporate expense / Corporate G&A and Platform R&D ($B)	-5.064	-5.064	-5.064
Combined TTM+5y operating income ($B)	11.667	18.200	23.712
Combined revenue ($B)	79.909	96.082	108.865
Implied operating margin	14.6%	18.9%	21.8%

The base case therefore requires Uber to become an $18.2B operating income business by 2031, not merely a sum of segment profit pools. The implied consolidated margin of 18.9% compares with FY2025 GAAP operating margin of 10.7%, TTM GAAP operating margin of 11.7%, and TTM Non-GAAP Operating Income margin of 13.1%. The bridge is plausible only if Mobility and Delivery remain high-quality marketplaces and corporate overhead scales. It is not plausible if AV partner economics reduce Mobility take rate, if insurance or labor regulation resets the cost structure, or if Delivery growth is purchased with merchant and consumer subsidies.

The bear case still reaches $11.667B of combined operating income, but that produces a lower P/E 15 value than today's price after tax and shares. The bull case reaches $23.712B of operating income and would make the current price look cheap, but it is not the confident underwriting case because it requires both higher growth and higher margins in the two core segments.

5. Net Income and EPS Build

The below-operating-income bridge is normalized. FY2025 and TTM GAAP net income include tax and investment revaluation noise. The data package explicitly notes that FY2025 GAAP tax expense was distorted by a deferred tax benefit and valuation allowance release, and the quantitative foundation notes elevated FCF conversion versus GAAP net income due to low Q1 2026 GAAP NI and FY2025 tax/investment revaluation noise. This appendix therefore uses a normalized tax rate and a simple interest/other bridge rather than capitalizing a one-time tax or investment mark.

For forward modeling, net interest expense/income is set at -$0.350B per year. This is conservative relative to recent net interest income, but the share repurchase path consumes cash and the balance sheet includes more than $12B of debt and lease-like obligations. Other income is set to zero because equity investment gains are not a reliable earnings base for a five-year P/E test. The normalized tax rate is 23.0%, above a simple 21% U.S. statutory NOPAT cross-check, to allow for foreign taxes, local tax rules, non-deductible items, and the fact that tax normalization should not rescue the price gate.

Line	Bear	Base	Bull
Combined TTM+5y operating income ($B)	11.667	18.200	23.712
Net interest expense / income ($B)	-0.350	-0.350	-0.350
Other income ($B)	0.000	0.000	0.000
Pre-tax income ($B)	11.317	17.850	23.362
Tax rate assumed	23.0%	23.0%	23.0%
Net income ($B)	8.714	13.744	17.989
Diluted share count at TTM+5y (M)	1,985.648	1,985.648	1,985.648
EPS at TTM+5y ($)	4.39	6.92	9.06

The base case EPS of $6.92 is the number that matters for Gideon's valuation gate. It is not a GAAP EPS forecast in the sense of modeling every non-operating mark and tax item; it is a normalized earnings power estimate based on segment economics, corporate cost, conservative net interest, normalized tax, and explicit share count. The model intentionally avoids using FY2025 diluted EPS of $4.73 as a clean starting point because FY2025 net income had unusual tax and mark-to-market support. It also avoids using the sum of quarterly TTM reported EPS because quarter-level diluted shares make that sum less clean than net income divided by latest diluted shares.

6. Share Count Path With Buybacks and SBC

The share count path starts from the latest Q1 2026 diluted share count of 2,071.391M. The data package and management appendix show that Uber has moved from no buybacks in FY2021-FY2023 to $1.252B in FY2024, $6.523B in FY2025, and

$3B in Q1 2026, with roughly $16B remaining under the authorization after Q1. The management appendix also flags 2026 SBC guidance of $1.95B-$2.15B. This synthesis uses 26M shares of annual SBC issuance, roughly consistent with $2.0B of SBC at a mid-$70s stock price, and assumes buybacks taper from $5.0B to $3.0B annually as the modeled average repurchase price rises. Total modeled post-Q1 buybacks are $20.0B over five years, which uses the remaining authorization and assumes a modest renewal if the business keeps generating high FCF.

Year	Starting share count (M)	Buyback $ ($B)	Avg price assumed	Shares retired (M)	SBC issuance (M)	Ending share count (M)
2027	2,071.391	5.000	$80	62.500	26.000	2,034.891
2028	2,034.891	4.500	$88	51.136	26.000	2,009.755
2029	2,009.755	4.000	$96	41.667	26.000	1,994.088
2030	1,994.088	3.500	$104	33.654	26.000	1,986.434
2031	1,986.434	3.000	$112	26.786	26.000	1,985.648

This is not an aggressive share-count model. It retires 215.7M shares gross and issues 130.0M shares through SBC, for a net reduction of 85.7M shares, or 4.1% from the Q1 2026 diluted base. The path makes buybacks per-share accretive but does not let repurchases do all the valuation work. If Uber continues to repurchase at $3B-$6B per year and keeps SBC near $2B, this kind of mild net reduction is plausible. If SBC rises materially, if the stock price rises much faster than the assumed average purchase prices, or if AV/M&A capital needs crowd out repurchases, the ending share count would be higher and EPS lower.

7. P/E 15 Test

At the current price of $72.25, the required EPS for a P/E of 15 is $4.8167. The confident case is the base case. Bull scenarios do not rescue the ER2 valuation gate if the base case fails. Here, the base case passes, while the bear case fails.

Case	EPS at TTM+5y	EPS x 15	Current price	Cushion %	Pass?
Bear	$4.39	$65.83	$72.25	-8.9%	FAIL
Base	$6.92	$103.83	$72.25	43.7%	PASS
Bull	$9.06	$135.89	$72.25	88.1%	PASS
Required EPS at $72.25	$4.8167	$72.25	$72.25	0.0%	Threshold

The price gate is therefore a PASS on base-case earnings power. The cushion is meaningful, not a rounding artifact. However, the interpretation should stay disciplined. A PASS on P/E 15 does not erase the moat YELLOW. Uber clears the five-year valuation test because the current price implies less than the base-case EPS power if Mobility and Delivery keep compounding. The remaining investment question is durability: whether the earnings power will deserve confidence beyond 2031 in the face of low switching costs, regulation, insurance, AV bargaining power, and Delivery competition.

8. Reflexivity Check

The reflexivity check asks whether the historical base used for forward compounding ties to reported financials. If not, the forward model would be coherent-looking but structurally wrong. The TTM segment revenue sum is $29.972B plus $18.539B plus $5.176B, or $53.687B. That exactly matches consolidated TTM revenue in the quantitative foundation. The TTM segment operating bridge is $7.649B plus $3.443B minus $0.114B minus $3.968B, or $7.010B. That exactly matches TTM Non-GAAP Operating Income. GAAP operating income is lower at $6.260B because the Non-GAAP Operating Income bridge excludes or adjusts items outside the segment operating bridge. The synthesis uses the homogeneous segment bridge for forward segment economics and notes the GAAP difference rather than forcing a false tie.

The FY2025 annual historical tie-out also works for revenue and GAAP operating income. Consolidated FY2025 revenue was $52.017B and FY2025 GAAP operating income was $5.565B. FY2025 segment revenue sums to Mobility $29.670B, Delivery $17.248B, and Freight $5.099B, which equals $52.017B. Annual segment adjusted EBITDA is included only as context and is not mixed into the TTM operating-profit forecast base. That protects the model from the specific failure mode flagged in the foundation note.

9. In-Progress FY / YTD Reconciliation

Stage 0 did not treat FY2026 as complete. The anchor is a true TTM ending 2026-03-31, not a fiscal-year shortcut. Still, Q1 2026 is the first quarter of the in-progress FY2026, so it is useful as a recency check. Q1 2026 consolidated revenue was

$13.203B. Annualized mechanically, that is $52.812B, close to the TTM revenue base of $53.687B and only 1.6% below it. Q1 2026 GAAP operating income was $1.923B, annualizing to $7.692B, above TTM GAAP operating income of $6.260B and consistent with recent operating leverage. Q1 2026 Non-GAAP Operating Income was $1.883B, annualizing to $7.532B, above TTM Non-GAAP Operating Income of $7.010B.

Metric	Q1 2026 actual	Simple annualized run-rate	TTM ending 2026-03-31	Difference vs TTM	Interpretation
Revenue ($B)	13.203	52.812	53.687	-1.6%	Recency anchor is close to TTM; no FY shortcut used
GAAP operating income ($B)	1.923	7.692	6.260	22.9%	Q1 margin is above TTM; do not annualize blindly
Non-GAAP Operating Income ($B)	1.883	7.532	7.010	7.4%	Supports operating leverage but stays within reason
Latest diluted shares (M)	2,071.391	n/a	2,071.391	0.0%	Q1 share count is the model start

This reconciliation supports using the TTM base. The revenue run-rate is close enough that the model is not starting from a stale or inflated base. The operating-income run-rate is stronger than TTM, but the model does not simply freeze Q1 2026 margins. It uses segment-specific 2031 margins and a growing corporate allocation.

10. Sensitivity

The most important variable is Mobility revenue growth, followed by Delivery margin and share count. Tax rate also matters, but it is not the core underwriting swing. The sensitivity table holds all other assumptions at base case unless named.

Sensitivity	EPS at TTM+5y	Change vs base EPS	EPS x 15	Price-gate read
Base case	$6.92	$0.00	$103.82	PASS
Mobility revenue CAGR -200 bps	$6.43	-$0.49	$96.41	PASS
Mobility revenue CAGR +200 bps	$7.45	$0.53	$111.79	PASS
Delivery OI margin -200 bps	$6.63	-$0.29	$99.49	PASS
Delivery OI margin +200 bps	$7.21	$0.29	$108.16	PASS
Share count +5%	$6.59	-$0.33	$98.88	PASS
Share count -5%	$7.29	$0.36	$109.29	PASS
Tax rate +300 bps	$6.65	-$0.27	$99.78	PASS
Tax rate -300 bps	$7.19	$0.27	$107.87	PASS

The sensitivity conclusion is constructive for the price gate. Reasonable single-variable downside cases do not break the P/E 15 test. The real break is multi-variable: Mobility revenue decelerates toward bear, Delivery margin expansion does not occur, corporate expense grows faster than modeled, and buybacks merely offset SBC. That combination would move the result toward the bear case. The most useful monitoring signal is therefore not one accounting line. It is the relationship among Mobility bookings growth, Mobility revenue growth, Segment OI margin, Delivery margin, and net share count.

11. Combined Earnings Summary

The probability weights are 25% bear, 55% base, and 20% bull. Base receives the highest weight because Management gate is PASS, recent Mobility and Delivery demand indicators remain strong, the balance sheet is not stretched, and the segment appendices support double-digit growth with measured margin expansion. Bear still receives 25% because Moat and 2046 are YELLOW, switching costs are low, regulation and insurance are material, AV bargaining power is unresolved, and Delivery competition can pressure economics. Bull receives 20% because the upside requires several levers to compound together without a major capital or bargaining-power leakage.

Case	Revenue ($B)	OI ($B)	OI margin (%)	NI ($B)	EPS ($)	Probability	EPS x 15	vs. $72.25
Bear	79.909	11.667	14.6%	8.714	4.39	25%	$65.83	-8.9%
Base	96.082	18.200	18.9%	13.744	6.92	55%	$103.83	43.7%
Bull	108.865	23.712	21.8%	17.989	9.06	20%	$135.89	88.1%
Probability-weighted EPS	n/a	n/a	n/a	n/a	6.72	100%	$100.76	39.5%

The probability-weighted EPS is $6.72, also above the $4.8167 required EPS. This reinforces the base-case gate result. Still, Gideon's framework uses confident base-case EPS, not probability-weighted optimism, as the gate. The base case is enough. The conclusion is that Uber's five-year earnings power can support the current price under the ER2 P/E 15 rule, provided the segment model holds and corporate overhead scales.

Tie-Out Checks

- Reported-financial tie-out TTM and FY2025: PASSED. TTM segment revenue sums to $53.687B and matches consolidated TTM revenue. TTM segment OI plus corporate allocation sums to $7.010B and matches TTM Non-GAAP Operating Income. FY2025 segment revenue sums to $52.017B and matches reported FY2025 revenue; FY2025 GAAP operating income is $5.565B and is used as the consolidated historical operating-income tie-out, while annual segment adjusted EBITDA is not mixed into the forward TTM segment OI base.

- NI / shares = EPS: PASSED. Bear $8.714B divided by 1,985.648M shares equals $4.39. Base $13.744B divided by 1,985.648M shares equals $6.92. Bull $17.989B divided by 1,985.648M shares equals $9.06. Differences are rounding only.

- Segment sum tie-out at horizon: PASSED. Bear revenue equals $44.039B plus $31.190B plus $4.680B, or $79.909B. Base equals $52.821B plus $37.261B plus $6.000B, or $96.082B. Bull equals $60.284B plus $41.655B plus $6.926B, or $108.865B. Corporate eliminations are zero because no supported eliminations line exists in the current package.

- Product-to-segment rollup confirmation from appendices: PASSED. Mobility, Delivery, and Freight appendices each use one revenue-bearing reportable segment line because product-level revenue is not separately disclosed. The product and strategic levers are embedded in the segment CAGR and margin assumptions, not summed as invented dollars.

- Weighted margin check: PASSED. Segment-only weighted margins are Bear 16.731 / 79.909 = 20.9%, Base 23.264 / 96.082 = 24.2%, and Bull 28.776 / 108.865 = 26.4%. After corporate allocation, consolidated operating margins are Bear 14.6%, Base 18.9%, and Bull 21.8%. The difference is explicitly the $5.064B corporate allocation.

- Explicit 5-year share-count path: PASSED. Starting Q1 2026 diluted shares are 2,071.391M. Gross repurchases retire 215.741M shares, SBC issues 130.000M shares, and ending diluted shares are 1,985.648M. The path covers exactly five annual steps from the TTM end to 2031-03-31.

- Growth plausibility: PASSED WITH WATCH ITEMS. Mobility base CAGR of 12.0% is below its FY2022-FY2025 historical segment revenue CAGR and below FY2025 YoY, but above Q1 2026 revenue growth, so bookings-to-revenue conversion must be watched. Delivery base growth is high but supported by recent quarterly growth, cross-platform funnel, Uber One, and grocery/retail commentary. Freight base growth is conservative at 3.0%.

- Historical arithmetic Rev_TTM x (1 + CAGR)^5: PASSED. Mobility $29.972B compounded at 8.0%, 12.0%, and 15.0% ties to $44.039B, $52.821B, and $60.284B within rounding. Freight $5.176B compounded at -2.0%, 3.0%, and 6.0% ties to $4.680B, $6.000B, and $6.926B. Delivery uses an explicit tapered year-by-year path from its appendix that ties to $31.190B, $37.261B, and $41.655B.

- Recency anchor: PASSED. Q1 2026 annualized revenue of $52.812B is within 1.6% of TTM revenue of $53.687B. Q1 annualized Non-GAAP Operating Income is above TTM by 7.4%, which supports but does not override the TTM base. The model does not start above recent revenue trend.

- Tax / interest / other-income bridge: PASSED. The forward bridge uses $0.350B net interest expense, zero other income, and a 23.0% normalized tax rate. This avoids capitalizing FY2025 tax benefits or investment revaluation gains and makes the P/E gate depend on operating earnings.

- P/E gate math / current price sensitivity: PASSED. Required EPS is $72.25 / 15 = $4.8167. Base EPS is $6.92. Base EPS times 15 is $103.83. Cushion is ($103.83 - $72.25) / $72.25 = 43.7%. Bear fails at -8.9% cushion, so the investment case still depends on the base case being genuinely confident.

Combined Earnings Summary

Uber's combined earnings model is strongest where the evidence is strongest: Mobility and Delivery. Mobility carries the largest profit pool and still has room from cross-platform retention, Premium, Reserve, Moto, sparse geography, and AV supply partnerships. Delivery is no longer a speculative loss-maker; it is a scaled high-teens-margin business with real cross-platform and advertising optionality. Freight remains weak and is modeled accordingly.

The base case clears the ER2 P/E 15 price gate. Revenue reaches $96.082B, operating income reaches $18.200B, net income reaches $13.744B, and EPS reaches $6.92. Required EPS at the current price is $4.8167, so the base case has a 43.7% cushion. All 11 tie-out checks pass, with the important caveat that growth plausibility carries monitoring items rather than a clean all-clear. The P/E 15 gate is a PASS; the broader long-duration Gideon conclusion should still respect the YELLOW moat and YELLOW 2046 results.

Appendix CS - Compounder Score

Uber Technologies, Inc. (UBER) - Compounder Score

Date: 2026-06-26 Ticker: UBER Currency: USD Current price: $72.25 TTM anchor: 2026-03-31 Forward horizon: 2031-03-31 Prepared by: Sub-Agent CS, CompounderScorer

1. Executive Verdict

Uber is a much better business than the old public-market memory of Uber suggests. The verified ER2 evidence shows a scaled global marketplace with two real profit engines, Mobility and Delivery, a low-capex cash-generation profile, a management team that has moved the company from cash burn to high free cash flow, and a current valuation that clears the ER2 P/E 15 gate on the base synthesis case. That is the positive side of the score.

The compounder score is lower than the headline business momentum might imply because this rubric is not asking whether Uber is a useful company or whether the ER2 P/E 15 gate passes. It is asking whether the evidence supports a Gideon-quality compounder with high and measurable incremental returns, long-duration moat durability, disciplined per-share capital allocation, and a credible path to at least 20% annualized shareholder returns from today's price without terminal multiple expansion. On that stricter test, Uber does not clear.

The diagnostic score is 64/100. Business Quality scores 58/80. Valuation and 20% return underwriting scores 6/20. The score-implied classification is Reject as a 20% compounder at the current price, while still recognizing that the ER2 P/E 15 gate is a separate framework gate and is currently PASS. That distinction matters. The synthesis base case produces horizon EPS of $6.92, and $6.92 times 15 equals $103.83, a 43.7% cushion to the current price. But a five-year move from $72.25 to $103.83 is only about a 7.5% annualized return before any dividends. To earn 20% annually over five years using the same base exit value, the buy price would need to be roughly $41.73. The bull case at a 15x exit multiple also does not reach 20% from today's price; it produces roughly 13.5% annualized.

The main positive evidence is robust: TTM revenue is $53.687B, TTM free cash flow is $9.799B, net debt / TTM Adjusted EBITDA is below 1.0x, Mobility has $29.972B of TTM revenue and $7.649B of TTM Segment Operating Income, and Delivery has $18.539B of TTM revenue and $3.443B of TTM Segment Operating Income. The company has moved from FY2021 operating losses to FY2025 operating income of $5.565B and FY2025 FCF of $9.763B. Management also receives a PASS in the management appendix.

The main negative evidence is also robust: FMP ROIC was only 11.2% in FY2025 after negative ROIC in FY2021-FY2022 and mid-single-digit ROIC in FY2023-FY2024; clean ROIIC is not proven because the base years include losses, tax noise, business-model transition, and incomplete reinvestment disclosure; the moat appendix is YELLOW and the 2046 test is YELLOW; Freight is a weak, low-return segment; AV partner economics and bargaining power are not disclosed; and SBC remains a real cost that buybacks must absorb before per-share value creation is clean.

2. Data Source Map

Evidence item	Primary source used	Treatment in score
Current price and market cap	`quant_foundation.md` P6	Price $72.25 and market cap $147.1B used for valuation and FCF yield
Consolidated historicals	`data_package.md` Section 2 and `quant_foundation.md` P4/P6	Revenue, operating income, ROIC, FCF, capex, shares, and FCF conversion
TTM bridge	`quant_foundation.md` P4 and `data_package.md` Section 3	TTM revenue $53.687B, GAAP OI $6.260B, FCF $9.799B, latest diluted shares 2,071.391M
Segment economics	`appendix_B_mobility.md`, `appendix_B_delivery.md`, `appendix_B_freight.md`	Segment revenue, Segment Operating Income, margins, bear/base/bull horizon assumptions
Management quality	`appendix_management.md`	Management gate PASS, capital allocation, incentives, disclosure, governance, CFO transition
Moat and 2046 durability	`appendix_moat.md`	Moat YELLOW and 2046 YELLOW cap durability score
Valuation and return math	`appendix_synthesis.md`	Base/bear/bull EPS, P/E 15 gate, share-count path, probability weights, tie-outs

Evidence item	Primary source used	Treatment in score
Data gaps	`data_package.md` Section 10 and segment appendices	Product revenue, AV economics, Uber One profitability/churn, Freight margin detail, corporate allocation by product

No new segment numbers are introduced in this appendix. The scoring uses the existing ER2 source chain and the synthesis model.

3. Key Financial and Quality Metrics

Uber's historical transition is real. Revenue rose from $17.455B in FY2021 to $52.017B in FY2025. Operating income improved from a $3.834B loss in FY2021 to $5.565B of profit in FY2025. Free cash flow improved from negative $0.743B in FY2021 to positive $9.763B in FY2025, and TTM free cash flow through 2026-03-31 was $9.799B. Capex stayed very low, only $0.336B in FY2025, or 0.6% of revenue. This is the profile of a platform that finally scaled into earnings rather than a business still consuming capital to prove product-market fit.

The problem is not cash conversion. The quantitative foundation calculates TTM operating cash flow of $10.126B, capex of $0.327B, and free cash flow of $9.799B. FCF conversion versus GAAP net income is 114.7%, and FCF conversion versus GAAP operating income is 156.5%. Some of that conversion is flattered by tax and investment revaluation noise, as the synthesis notes, but the cash generation is still strong enough to earn high financial-quality credit.

The problem is measured returns on capital. The data package's FMP ROIC series is -6.8% in FY2021, -7.6% in FY2022, 3.4% in FY2023, 6.8% in FY2024, and 11.2% in FY2025. That trend is excellent, but it is not a five-year median adjusted ROIC above 20%, let alone above 30%. A simple median over the five-year series is only 3.4%, because the business was still transitioning out of losses. FY2025's 11.2% is below the highest compounder bands in the rubric.

Clean ROIIC is also not proven. A naive formula using the change in NOPAT from a loss-making base and very low capex would produce a very high number, but it would be more arithmetic artifact than investment truth. Uber's reinvestment is not captured only by capex. It includes R&D, marketplace incentives, insurance operations, regulatory infrastructure, acquisitions, product launches, AV partnerships, and SBC-funded talent. The source package does not provide a clean organic reinvestment denominator by segment, nor does it separate acquisition-inclusive ROIIC. The correct scoring stance is to give credit for the obvious profit inflection and low capital intensity, but cap the score because the evidence does not yet provide a durable, clean 3-year or 5-year ROIIC calculation.

SBC is a real cost. The management appendix cites 2026 SBC guidance of $1.95B-$2.15B. Using $2.0B as the midpoint, SBC is about 3.7% of TTM revenue and about 20% of TTM FCF. That is no longer thesis-breaking, but it is too large to ignore. The synthesis share-count model explicitly assumes 26M shares of annual SBC issuance and uses buybacks to offset and then modestly reduce diluted shares. Gross buyback dollars are not the same as per-share value creation.

Valuation is the major score cap. Market cap is $147.1B. Using net debt less cash and short-term investments of $6.328B, enterprise value is approximately $153.4B. Against TTM Non-GAAP Operating Income after a 23% normalized tax rate, EV / NOPAT is roughly 28x. Against TTM FCF, market cap / FCF is roughly 15x, or a 6.7% FCF yield. That is not extreme for a growing platform, but it is not a 20% return starting point unless earnings compound strongly and the exit multiple remains generous.

4. Rubric Scorecard

Category	Score	Max	Rationale
Incremental Returns on Capital	15	25	ROIC is improving but still only 11.2% in FY2025; clean ROIIC is insufficiently proven; cash conversion and unit economics are good
Reinvestment Runway	17	20	Mobility and Delivery have large remaining use-case runways, cross-platform benefits, Uber One, ads, Premium, Reserve, Grocery/Retail, and AV optionality
Durability of Moat	10	15	Mobility moat is real, Delivery moat is moderate, Freight does not clear; low switching costs, regulation, and AV bargaining power keep moat YELLOW

Category	Score	Max	Rationale
Accounting and Financial Quality	8	10	FCF conversion and leverage are strong; disclosure is good; score is capped by SBC, tax/investment noise, and product-level opacity
Capital Allocation	8	10	Management has shifted to low capex, buybacks, and partner-led AV; score is capped by lack of explicit ROIC/FCF-per-share incentives and M&A/AV sprawl risk
Price and 20% Return Underwriting	6	20	P/E 15 gate passes, but base-case five-year IRR at 15x is only about 7.5%; 20% requires a much lower entry price or multiple expansion

Business Quality Score: 58/80. Valuation / 20% Return Underwriting Score: 6/20. Compounder Score: 64/100.

5. ROIIC and Reinvestment Analysis

The evidence supports a positive direction of incremental returns, but it does not support a high-confidence ROIIC score. Uber's transition from negative operating income to scaled profitability is the most important historical fact. FY2021 revenue was $17.455B and operating income was negative $3.834B. FY2025 revenue was $52.017B and operating income was positive $5.565B. TTM Non-GAAP Operating Income through 2026-03-31 was $7.010B. That is powerful operating leverage.

However, the rubric requires more than a turnaround. It asks whether incremental capital can be deployed at high returns for a long time. Uber's capital base is unusual because the model is asset-light but operating-intensive. Capex is tiny, so a capex-only ROIIC denominator would exaggerate returns. R&D was $3.402B in FY2025, and R&D as a percent of revenue fell from 11.8% in FY2021 to 6.5% in FY2025. That is favorable scaling, but R&D is still reinvestment. Marketplace incentives, insurance systems, safety, regulatory compliance, payments, support, and AV commercialization also consume resources. The available package does not give a clean line that turns those into organic reinvestment by year.

The segment evidence helps but does not fully solve the problem. Mobility has strong unit economics: $29.972B of TTM revenue, $7.649B of TTM Segment Operating Income, and a 25.5% TTM Segment OI margin. Delivery has become a real profit pool: $18.539B of TTM revenue, $3.443B of TTM Segment Operating Income, and an 18.6% margin. These are attractive marketplace economics. Freight is the negative control: $5.176B of TTM revenue and negative $0.114B of TTM Segment Operating Income. A blended ROIIC score must reflect all three.

The score gives Uber partial credit for obvious incremental profit creation, high FCF conversion, low capex, and scaling R&D intensity. It withholds full credit because the five-year ROIC series is not yet high, the ROIIC denominator is not clean, Freight remains weak, and AV could increase capital requirements if the partner-led strategy becomes more capital-heavy.

6. Runway Analysis

Runway is Uber's strongest category. Mobility is still not a fully penetrated global movement network. The Mobility appendix models TTM revenue of $29.972B growing to $52.821B in the base case by 2031-03-31, a 12.0% CAGR, with horizon Segment OI margin of 28.0%. The assumptions are grounded in cross-platform retention, Premium, Reserve, Moto and low-cost products, sparse geography, insurance leverage, and AV supply partnerships. The appendix is careful not to extrapolate Q1 2026's strong gross bookings directly into revenue because Q1 Mobility revenue growth was only 5% reported and 1% constant currency. That caution is appropriate.

Delivery also has a credible runway. The Delivery appendix starts from $18.539B of TTM revenue and $3.443B of TTM Segment Operating Income. Base revenue reaches $37.261B by 2031, with a 22.5% Segment OI margin. Recent Delivery quarterly revenue growth was 25%, 29%, 30%, and 34%, while margin stayed around high teens. The base case moderates that growth to a mid-teens path rather than extrapolating the latest quarter. Uber One, cross-platform demand from the Mobility app, grocery and retail, ads, batching, and merchant tools all support the runway.

Freight does not support the compounder score. Its base case reaches only $6.000B of revenue and $0.090B of Segment Operating Income by 2031. The low score for Freight is not punitive; it is just evidence-based. Freight has not shown durable economics, and the data package does not disclose enough forward margin detail to underwrite it as more than a modest recovery option.

The blended runway score is therefore high but not perfect. Uber has multiple paths to growth, but several are partly undisclosed or economically unproven. AV may expand supply, but it may also shift bargaining power to vehicle and technology partners. Grocery and retail may expand Delivery, but fulfillment complexity can pressure margins. Uber One may raise frequency, but profitability and churn are not disclosed. These are watch items, not reasons to deny runway altogether.

7. Moat Analysis

Uber's moat is real, but it is not the clean moat of a high-switching-cost software company. The moat appendix correctly describes the advantage as dense local liquidity pools. In Mobility, riders value reliability, low ETA, payment trust, safety, support, and broad supply. Drivers value utilization and earnings opportunities. This two-sided liquidity loop is difficult to recreate city by city. The evidence is visible in Mobility's scale and margin.

Delivery has a more complicated but still valuable moat. It is three-sided, with consumers, merchants, and couriers. Uber One and the Mobility app's Delivery funnel make the business stronger than a standalone food-delivery marketplace. Management commentary says dual Mobility and Delivery users had higher retention and materially higher gross bookings and profit than single-business consumers. That is useful evidence, though it is not a disclosed cohort P&L.

The moat score is capped by low switching costs and AV. Consumers can open competing apps. Drivers, couriers, merchants, shippers, and carriers can multi-home. The moat appendix states that the FY2025 10-K is blunt on low switching costs. In Mobility, the largest long-term risk is that AV suppliers control low-cost urban supply and own the customer relationship. Uber's partner-led AV strategy is sensible, but the economics are not disclosed. In Delivery, DoorDash, Amazon, Instacart, grocers, restaurants, and regional platforms can pressure merchant fees, ad economics, and consumer frequency. In Freight, the current evidence does not clear a moat test.

The 2046 test is YELLOW, and that is the right cap. A successful 2046 Uber is plausible: the global operating layer for human and autonomous mobility, local commerce, enterprise movement, ads, and selected logistics workflows. A weaker 2046 Uber is also plausible: a still-large aggregator with lower take rates, regulated labor costs, and reduced Mobility bargaining power. That unresolved spread prevents a clean high score.

8. Accounting and Capital Allocation Analysis

Accounting and financial quality are good. The quantitative foundation passed its reconciliation checks. Segment revenue ties to consolidated revenue. The synthesis uses a homogeneous Segment Operating Income bridge rather than mixing Segment Adjusted EBITDA with Segment Operating Income. TTM FCF is high and balance-sheet risk is moderate. Net debt / TTM Adjusted EBITDA is 0.73x using cash only and 0.68x including short-term investments.

The main accounting cautions are not fraud flags. They are economic interpretation issues. FY2025 and TTM GAAP net income include tax and investment revaluation noise, so the synthesis correctly uses normalized tax and zero other income for the forward model. Product-level revenue inside Mobility and Delivery is not disclosed. AV unit economics, vehicle ownership economics, partner revenue share, Uber One profitability and churn, Freight forward margins, and corporate G&A allocation by product are also true non-disclosures. The appendices handle those gaps conservatively, but the gaps limit scoring confidence.

Capital allocation has improved materially. Uber has low capex, rising but lower-intensity R&D, bolt-on M&A, partner-led AV investment, and meaningful buybacks. Management repurchased $1.252B of stock in FY2024, $6.523B in FY2025, and $3B in Q1 2026, with about $16B remaining under the authorization after Q1. The synthesis models $20B of post-Q1 buybacks over five years and still only reduces diluted shares by 4.1% after SBC issuance. That is the right way to think about buybacks: net shares, not gross dollars.

The capital allocation score is capped because incentives still do not put ROIC or free cash flow per share at the center, and because AV/M&A could absorb capital at uncertain returns. Management gets a PASS, but the compounder rubric requires proof that each incremental dollar will earn high returns over a long period.

9. 20% Return Underwriting

The ER2 P/E 15 gate passes. The synthesis base case produces 2031-03-31 EPS of $6.92. At a 15x multiple, that is $103.83 per share. The required EPS at today's $72.25 price is $4.8167, so the base case has a 43.7% cushion. The bear case fails the P/E 15 gate at $65.83 per share. The bull case produces $135.89 per share at 15x.

The 20% return hurdle does not pass. Using the synthesis exit values and no dividend, the implied annualized shareholder returns from today's price are approximately:

Case	Exit value at 15x	Five-year IRR from $72.25	Score interpretation
Bear	$65.83	-1.8%	Fails valuation and downside support
Base	$103.83	7.5%	P/E 15 gate passes, but 20% hurdle fails
Bull	$135.89	13.5%	Attractive upside but still below 20% at 15x

The max buy price for a 20% IRR using the base-case 15x exit value is about $41.73. That is $103.83 divided by 1.2 to the fifth power. This is a mechanical hurdle price, not a recommendation to trade around one number. It shows the scale of the gap between a reasonable five-year valuation pass and a true 20% annualized compounder entry point.

For the base case to produce 20% from today's price, the ending value would need to be roughly $179.79. On base EPS of $6.92, that implies an exit P/E of about 26.0x. That is terminal multiple expansion relative to the ER2 15x discipline and is not acceptable for the highest classification in this rubric. The valuation score therefore receives only 6/20 despite the ER2 price gate passing.

10. Hard Veto Checklist

Veto	Result	Evidence
ROIIC below cost of capital with no credible path	Watch	Profit inflection and segment margins suggest a path, but clean ROIIC is not proven
Reported ROIC high only because invested capital is tiny	Watch	Asset-light model makes capex-only returns misleading; FMP ROIC is only 11.2% in FY2025
Growth requires persistent external financing	Pass	FCF is strong and leverage is below 1.0x net debt / TTM Adjusted EBITDA
Share count rises materially without per-share value creation	Watch	Buybacks now reduce shares, but SBC remains material and modeled issuance offsets much of repurchase activity
Management makes large acquisitions without returns	Watch	Recent M&A is bounded, but AV and adjacency capital allocation remain monitoring items
FCF consistently lags earnings structurally	Pass	TTM FCF conversion is strong
Regulation/platform/cyclicality can impair equity	Watch	Labor, insurance, AV, Delivery competition, and Freight cyclicality are material
20% return case requires terminal multiple expansion	Fail	Base case needs roughly 26x horizon P/E to earn 20% from today's price
Flawless execution needed to justify price	Watch	P/E 15 base has cushion, but 20% case needs more than base execution
Cannot explain moat in one paragraph	Pass	Moat is local liquidity plus cross-platform demand, with AV and regulation caveats
Accounting/governance issues impair trust	Pass	Governance and disclosure are good enough; no material control issue identified
Balance sheet risk could wipe out equity	Pass	Net leverage is low

The hard-veto screen does not say Uber is a bad business. It says the current price does not underwrite a 20% compounder return without relying on a higher exit multiple or a much better-than-base outcome.

11. Final Decision

Compounder Score note: 64/100. Uber is a scaled, improving marketplace with strong FCF and real Mobility/Delivery economics, but the score is capped by low measured ROIC history, unproven clean ROIIC, YELLOW moat/2046 durability, Freight weakness, and a 20% return case that does not clear at the current price.

Business Quality Score note: 58/80. Business quality is good and improving, led by Mobility and Delivery, but it is not yet a clean high-ROIC/high-ROIIC long-duration compounder under this rubric because AV bargaining power, low switching costs, regulation, SBC, and Freight remain unresolved.

20% Return UW Score note: 6/20. The ER2 P/E 15 gate passes with base EPS of $6.92 and a 43.7% cushion, but base-case five-year IRR at a 15x exit multiple is only about 7.5%; the max buy price for 20% IRR on the base case is roughly $41.73.

Score-implied classification: Reject as a 20% compounder at the current price. The more nuanced investment read is that Uber may remain ER2-investable if the broader Gideon decision accepts the moat YELLOW and P/E 15 gate PASS, but this diagnostic score should not be used to claim that today's price offers a 20% annualized return under conservative terminal multiple assumptions.

12. Machine-Readable JSON

The companion machine-readable file is `compounder_score.json`. It contains the same score, category breakdown, threshold tests, IRR estimates, hard-veto flags, positives, negatives, data gaps, and source confidence.

Appendix CSA - Scoring Audit

Uber Technologies, Inc. (UBER) - Scoring Audit

Date: 2026-06-26 Currency: USD Current price: $72.25 TTM end: 2026-03-31 Forward horizon: 2031-03-31

This scoring audit reviews `appendix_compounder_score.md` and `compounder_score.json` against the ER2 source chain: `quant_foundation.md`, `data_package.md`, the Mobility, Delivery, and Freight segment appendices, `appendix_management.md`, `appendix_moat.md`, and `appendix_synthesis.md`. The audit is diagnostic only. It does not create a fourth ER2 gate. The purpose is narrower: decide whether the compounder score to be published in the Stage 7 scorecard is supported by evidence and arithmetic.

1. Original vs Audited Scores

Item	Original	Audited	Notes
Business Quality Score / 80	58	52	Directionally right but too generous on incremental returns and runway. Clean ROIIC was not calculated, acquisition-inclusive ROIIC is missing, and several runway/moat claims depend on undisclosed AV, membership, and product economics.
Valuation / 20% Return UW Score / 20	6	4	Base IRR is about 7.5%, bear IRR is negative, bull IRR is about 13.5%, and the base case needs about a 26x horizon P/E to reach 20% from today's price. Reverse-DCF NOPAT growth was not explicitly calculated.
Total Score / 100	64	56	The original conclusion to reject Uber as a 20% compounder at $72.25 is preserved, but the published diagnostic score should be lower.
Classification	Reject as a 20% compounder at current price	Reject as a 20% compounder at current price	Classification unchanged. This is neither a dream business nor a dream investment under this rubric.

The original score is internally consistent at the headline level: 58 plus 6 equals 64, and the markdown and JSON agree on the main score, classification, base IRR, bull IRR, max buy price, and price-gate framing. The issue is not a headline transcription error. The issue is evidence weighting. The original scorer gave appropriate narrative caveats, but the numerical score still gave too much partial credit to categories where the audit rules call for caps.

The audited score is 56/100. Business Quality is reduced from 58/80 to 52/80. Valuation and 20 percent return underwriting is reduced from 6/20 to 4/20. The score-implied classification remains Reject as a 20 percent compounder at the current price. The company can still be a useful ER2 candidate if the separate Gideon gates accept Management PASS, Moat YELLOW, and the P/E 15 gate PASS. But the diagnostic compounder lens should not imply that Uber is close to the 20 percent annualized hurdle.

2. Score Reductions and Reasons

The largest reduction is in Category 1, Incremental Returns on Capital. The original score assigned 15/25. I reduce it to 12/25. The quantitative foundation and data package show a real profitability inflection: FY2025 ROIC of 11.2%, TTM FCF of $9.799B, TTM Non-GAAP Operating Income of $7.010B, Mobility TTM Segment Operating Income of $7.649B, and Delivery TTM Segment Operating Income of $3.443B. Those numbers support credit for unit economics and cash conversion. They do not support a high ROIIC score. The original JSON explicitly lists `roiic_3yr`, `roiic_5yr`, `acquisition_inclusive_roiic_5yr`, `reinvestment_rate_5yr_avg`, `nopat_cagr_5yr`, and `fcf_conversion_5yr` as null. The CS appendix says a naive ROIIC calculation would be misleading because Uber moved from a loss base and because reinvestment is not captured by capex alone. That caution is analytically correct, but under the scoring rules it means the ROIIC subcategory should receive zero, not partial credit hidden inside the category total.

Category 2, Reinvestment Runway, is reduced from 17/20 to 16/20. Uber has real runway in Mobility and Delivery. The Mobility appendix supports a base case of 12.0% revenue CAGR to 2031, while Delivery supports a 15.0% base CAGR.

Cross-platform demand, Uber One, premium rides, Reserve, low-cost products, grocery, retail, ads, and AV partnerships are legitimate strategic levers. The reduction is modest because the runway is real. It is still necessary because several of the highest-value levers are not dollar-disclosed. Product revenue inside Mobility and Delivery is not disclosed; Uber One profitability and churn are not disclosed; AV partner economics, vehicle ownership economics, and mature-market contribution are not disclosed. A high runway score should not be built mainly on management KPIs and undisclosed economics.

Category 3, Durability of Moat, is reduced from 10/15 to 9/15. The moat appendix is explicit: Moat gate YELLOW and 2046 test YELLOW. Mobility has a real local marketplace liquidity moat, Delivery has a moderate cross-platform moat, and Freight does not clear a moat test. The Mobility and Delivery evidence supports more than a weak score. However, the audit should not let a strong five-year marketplace position turn into a clean 20-year durability claim. Switching costs are low at the transaction level. Labor and local regulation can reset economics. AV suppliers may control the scarce future supply and customer relationship in dense markets. The original 10/15 is defensible, but the YELLOW 2046 test warrants one point less.

Category 4, Accounting Honesty and Financial Quality, is reduced from 8/10 to 7/10. The foundation passed reconciliation, and the cash conversion is very strong: TTM operating cash flow of $10.126B less capex of $0.327B equals FCF of $9.799B; FCF conversion versus GAAP net income is 114.7%, and versus GAAP operating income is 156.5%. This deserves credit. The reduction is because the original JSON leaves multi-year FCF conversion as null, and the audit rules require FCF conversion to be tested over multiple years where data exists. The data package has FY2021-FY2025 FCF and net income/EPS data, so a proper score should have shown the multi-year conversion bridge instead of relying mainly on TTM conversion. SBC also remains a real cost at roughly $2.0B, about 3.7% of TTM revenue and about 20% of TTM FCF.

Category 5, Capital Allocation Discipline, is reduced from 8/10 to 8/10 preserved. This is one area where the original score is fair. Management has shifted toward low capex, disciplined R&D scaling, buybacks, a partner-led AV strategy, and an investment-grade-style balance sheet. The management appendix gives a real PASS, not a courtesy pass. The cap is still right because compensation does not center ROIC or FCF per share, buybacks must be judged net of SBC, the CFO transition is still fresh, and AV or M&A could increase capital intensity. But 8/10 is not excessive given the turnaround and capital return evidence.

Category 6, Price and 20 Percent Return Underwriting, is reduced from 6/20 to 4/20. This is the clearest mechanical reduction. Under the rubric, 6A should be 0 because the base case IRR is below 10%. 6B should be 0 because the 20 percent return case requires a major expansion from the 15x ER2 exit multiple to roughly 26x base horizon EPS. 6C should be 0 because the bear IRR is negative. 6D should be at most 0-1 because the original score did not explicitly calculate the reverse DCF required NOPAT CAGR, even though it did connect valuation to a required ending value and implied P/E. 6E deserves limited credit because current market cap to FCF is not extreme for a growing platform, but EV/NOPAT of roughly 28.4x is already demanding. 6F deserves some credit for FCF yield and buybacks. The fair subtotal is 4/20, not 6/20.

3. Unsupported Claims

The audit did not find a fabricated headline. It found unsupported precision in a few places. Clean organic ROIIC is not calculated. Acquisition-inclusive ROIIC is not calculated, despite the management appendix identifying recent SpotHero, Blacklane, Getir, Trendyol GO, and AV-related strategic activity. The package says acquisition activity has been bounded, not that acquisition-inclusive returns can be measured. Therefore Category 1 and Category 5 should remain capped until acquisition-inclusive ROIIC is shown or the acquisition spend is proven immaterial to the forward thesis.

The AV economics claim is also only partly supported. The segment and moat appendices correctly treat AV as optionality and risk. They do not disclose AV revenue, unit economics, vehicle ownership cost, partner revenue share, mature-market contribution margin, or long-term bargaining-power economics. This means AV can support optionality language, not high-confidence compounder scoring.

Uber One and cross-platform engagement are useful data points but not a complete profit bridge. More than 50M members and roughly half of Mobility and Delivery Gross Bookings from members are impressive. The data package also flags Uber One profitability and churn as true non-disclosures. The audit therefore treats membership as a moat and runway indicator, not proof of high incremental returns.

4. Calculation Errors

The price-gate math is correct. Base EPS of $6.92 times 15 equals $103.80 to $103.83 depending on rounding. The required EPS at $72.25 and 15x is $4.8167. The base cushion is about 43.7%. The base five-year IRR from $72.25 to $103.83 is about

7.5%. The max buy price for a 20 percent IRR using the same base exit value is about $41.73, equal to $103.83 divided by 1.2 to the fifth power. The ending value needed for 20 percent from today's price is about $179.79, implying roughly 26.0x the base horizon EPS of $6.92. These checks support the original rejection classification.

NOPAT and EV/NOPAT are directionally correct but should be labelled as normalized rather than definitive. The original JSON uses TTM Non-GAAP Operating Income of $7.010B and EV/NOPAT of 28.4x. A 23% normalized tax rate gives NOPAT of about $5.398B; $153.428B enterprise value divided by $5.398B equals about 28.4x. That ties. The caveat is that Non-GAAP Operating Income is management-defined and excludes some costs; the synthesis uses it as an economic bridge while keeping GAAP operating income separate. The audit accepts the metric because the source package explicitly built a homogeneous segment operating profit bridge, but the score should not call it a pristine ROIC base.

The share-count model is arithmetically sound and appropriately includes dilution. The synthesis starts with 2,071.391M diluted shares, models 215.7M gross shares retired, 130.0M SBC shares issued, and an ending share count of 1,985.648M. Net reduction is 85.7M shares, or 4.1%. This is a sensible check against over-crediting gross buybacks. The reduction in valuation score is not because share math is wrong; it is because even with this share path, the IRR does not approach 20 percent.

5. Missing Data

The most important missing evidence is clean ROIIC. The framework requires 3-year ROIIC, 5-year ROIIC, acquisition-inclusive ROIIC, and reinvestment rate where data exists. Uber's loss-base transition makes naive ROIIC misleading, but that does not allow the scorer to award ROIIC points. It means the score must be conservative until a better reinvestment denominator is built.

Other missing data are product revenue inside Mobility and Delivery, AV economics, Uber One churn and profitability, Freight load-level economics, Freight gross margin or net revenue detail, carrier count, shipper count, and corporate cost allocation by product or segment. These gaps do not invalidate the ER2 model because the appendices use reportable segment dollars and avoid fake product rows. They do cap the diagnostic compounder score.

6. Hard-Veto and Threshold Test Audit

The threshold tests mostly fail, and the original JSON correctly marks them as false. Total score is below 80. Business Quality is below 65/80. Valuation underwriting is below 15/20. ROIIC plus runway is below the 35/45 threshold after this audit because Category 1 is reduced to 12 and runway to 16, for 28/45. Base IRR is below 20. Bear IRR is not acceptable. A hard veto exists because the 20 percent case requires terminal multiple expansion or a much lower entry price. The 20 percent case does not clear without changing the exit multiple discipline.

7. Final 20% Hurdle Pass/Fail

Final 20 percent hurdle result: FAIL. The company may pass the separate ER2 P/E 15 gate, but that is a different test. A five-year move from $72.25 to the base 15x exit value of roughly $103.83 is a mid-single-digit to high-single-digit annualized return, not a 20 percent compounder return. Even the bull case at 15x is only about 13.5%. To reach 20 percent in the base case, the investor needs either a much lower entry price, far higher base EPS, or terminal multiple expansion to about 26x. That is exactly what the compounder rubric is designed to reject.

8. Dream Business / Dream Investment Classification

Audited classification: neither dream business nor dream investment under this rubric. Uber is a scaled, improving marketplace with two strong core profit pools and a credible management team. It is not yet a clean dream business because measured ROIC history is low, clean ROIIC is missing, Freight is weak, and long-duration moat durability is YELLOW. It is not a dream investment at $72.25 because the 20 percent return case does not work at a 15x exit multiple.

The single biggest reason Uber does not qualify is that the current price does not underwrite a 20 percent annualized return on the base 2031 earnings model without a major exit-multiple step-up, while the evidence for high clean ROIIC is still incomplete.

9. Stage 7 Scorecard Notes

Compounder Score note: 56/100. Uber has real Mobility and Delivery scale, strong TTM FCF, and a credible management turnaround, but the diagnostic score is capped by missing ROIIC, a YELLOW moat and 2046 test, Freight weakness, SBC

dilution, and a 20 percent case that fails at the current price.

Business Quality Score note: 52/80. Business quality is good and improving, but not yet a clean high-ROIC, high-ROIIC, long-duration compounder because measured ROIC history is still low, clean and acquisition-inclusive ROIIC are not proven, and AV, regulation, switching costs, and product-level disclosure gaps remain material.

20% Return UW Score note: 4/20. The ER2 P/E 15 gate passes, but base-case IRR at a 15x exit is only about 7.5%, bear IRR is negative, bull IRR is still below 20%, and the base case needs about a 26x horizon P/E or a roughly $41.73 entry price to meet the 20 percent hurdle.

10. Auditor JSON

The companion machine-readable file is `compounder_score_audit.json`. It contains the audited score, unchanged classification, main reductions, unsupported claims, calculation checks, missing data, and Stage 7 scorecard notes.

Appendix RT - Red Team

Uber Technologies, Inc. (UBER) - Red Team Appendix

Date: 2026-06-26. TTM anchor: 2026-03-31. Forward horizon: 2031-03-31. Current price: $72.25.

Red-team stance: the synthesis is arithmetically clean, but the investment conclusion is more fragile than the headline P/E 15 pass makes it look. The base case reaches 2031 revenue of $96.082B, operating income of $18.200B, net income of $13.744B, EPS of $6.92, and a 43.7% cushion to the P/E 15 threshold. That is enough to clear the ER2 five-year valuation gate. It is not enough to make Uber a high-conviction Gideon compounder at the current price because the audited score is only 56/100, the business-quality score is 52/80, the 20% return underwriting score is 4/20, the moat is YELLOW, and the 2046 test is YELLOW. This appendix attacks the base case where it is most exposed: Mobility revenue and margin durability, Delivery margin expansion, autonomous-vehicle bargaining power and regulation, buyback/share-count assumptions, and the temptation to treat a P/E 15 pass as a sufficient return case.

1. Most Fragile Assumption

The most fragile assumption is the Mobility base case: $52.821B of 2031-03-31 revenue at a 28.0% Segment Operating Income margin, producing $14.790B of horizon Mobility Segment OI. This is the single load-bearing segment line in the whole model. Mobility is the largest revenue line, the largest profit pool, and the segment most exposed to a structural change in who controls supply. The synthesis acknowledges the warning, but the base case still asks investors to believe that Mobility can compound revenue at 12.0% for five years while expanding segment margin from the TTM 25.5% level to 28.0%.

The fragility is not that Uber has a weak Mobility business today. It does not. The segment has $29.972B of TTM revenue and $7.649B of TTM Segment OI. The fragility is that the most recent quarterly data already shows a split between demand growth and revenue capture. In Q1 2026, Mobility Gross Bookings were $26.394B, up 25% reported and 20% constant currency, while Mobility revenue was only $6.798B, up 5% reported and 1% constant currency. That is the warning flare. If gross bookings grow but revenue does not follow, the model's 12.0% revenue CAGR is too high even if the app remains healthy, trip volume is strong, and consumers are happy.

The likely mechanisms are not exotic: take-rate compression, market mix, subscriptions, incentives, driver supply costs, insurance, local regulation, or autonomous-vehicle partner economics. The base case leans on Reserve, Premium, Moto, sparse geography, Uber One, cross-platform retention, and AV supply partnerships, but none of those are separately dollar-disclosed inside Mobility. They are plausible levers, not proven revenue lines. The data package explicitly says product revenue inside Mobility is a true non-disclosure, including Reserve, Moto, Premium, Uber One, advertising, and AV. That means the model cannot identify whether high-growth levers are large enough to offset take-rate pressure in the core ride-hail pool.

If this assumption is wrong by 200 bps of Mobility revenue CAGR, the synthesis sensitivity already shows EPS falling by $0.49. That is not fatal to the P/E 15 gate by itself. But the red-team issue is that a Mobility miss is unlikely to be a clean revenue-only miss. If Mobility slides from the base line to the bear line, revenue falls from $52.821B to $44.039B and margin falls from 28.0% to 24.5%. Segment OI falls by $4.001B. After a 23% tax rate, that is roughly $3.081B of net income, or about $1.55 of EPS on the modeled 1,985.648M diluted shares. That would take base EPS from $6.92 toward $5.37 before any linked pressure in Delivery, corporate expense, buybacks, or valuation multiple. The price gate might still survive if everything else holds. The investment thesis would not have the same quality.

2. Most Likely Optimistic Stage 5 Number

The most likely optimistic Stage 5 number is Mobility base revenue of $52.821B. Delivery's $37.261B base revenue is high, but its recent quarterly revenue growth of 25%, 29%, 30%, and 34% gives it a better near-term factual base. Mobility's problem is the opposite: the base case leans on historical FY2022-FY2025 strength and qualitative product levers while the freshest revenue print decelerated hard. A five-year model can look through one quarter, but it should not ignore the direction of the revenue-to-bookings conversion.

The synthesis says the combined base case is not heroic because company revenue grows 12.3% from $53.687B to $96.082B, with Mobility at 12.0%, Delivery at roughly 15.0%, and Freight at 3.0%. That is arithmetically reasonable. The issue is evidence quality. The data package gives clean segment revenue and profit, but the model's Mobility growth explanation uses a pile of non-dollar-disclosed levers. Reserve is growing quickly, Moto and low-cost products have a disclosed gross

bookings run-rate, Premium has a gross bookings run-rate, Uber One is large, and AV deployments are expanding. But the model cannot show product revenue, product margin, or the degree to which each lever dilutes or improves revenue per gross booking.

The strongest red-team interpretation is that Mobility remains a very good business but revenue grows closer to the bear case because the next leg of trips comes from lower-priced geographies, lower-cost products, subscription benefits, and AV deployments where suppliers take more economics. That is still growth. It is just not the base-case value capture implied by $52.821B and 28.0% margin.

3. Strongest Bear Case

The short seller's version is simple: Uber is a superb demand aggregator in the human-driver era, but the next five years shift the scarce input from app demand to autonomous supply, insurance, and regulated local labor economics. In Mobility, bookings can keep growing while Uber's revenue take per booking and segment margin compress as AV suppliers, drivers, insurers, and regulators capture the incremental economics. In Delivery, growth stays strong but increasingly comes from grocery, retail, Uber Direct, membership benefits, and local-commerce promotions that are more complex and lower quality than restaurant marketplace volume. The bear case shows up within two to four quarters as Mobility revenue growth stays below 8% despite high-teens or better bookings growth, Delivery margin stalls below 20%, and net diluted shares fail to decline despite multi-billion-dollar buybacks.

This bear case does not require Uber to lose consumer relevance. That is why it is dangerous. It only requires the market to reprice Uber from "emerging high-ROIC, long-duration compounder" to "large platform with good growth but contested economics." The base case passes P/E 15 at 15x horizon EPS, but the audited scoring work already says base IRR at that exit is only about 7.5%, bear IRR is negative, and even the bull IRR is below 20%. If the bear case is right, the stock can be wrong without the company obviously breaking.

4. Cross-Examination Of Management Commentary

First, management said Q1 2026 was an "exceptional start to 2026." The skeptical question is: exceptional for whom, riders or shareholders? The same data package shows Q1 2026 Mobility Gross Bookings up 25% reported while Mobility revenue was up only 5% reported and 1% constant currency. That is not a small detail; it is the main conversion risk. If the exceptional demand environment coincides with weak revenue capture, then the model should not confidently underwrite five years of 12.0% Mobility revenue CAGR. The first place this would show up is another quarter where Mobility bookings growth exceeds Mobility revenue growth by more than 1,000 bps and segment margin fails to improve.

Second, the CFO's insurance-cost language includes the phrase "first year since COVID" in the context of U.S. Mobility insurance leverage. Insurance leverage is a legitimate margin tailwind, but it is also a reserve-sensitive line. A red team should not let one favorable insurance cycle become permanent margin expansion. The base case asks Mobility margin to rise to 28.0%; that is only 250 bps above current TTM, but it depends on insurance not reversing, regulation not adding driver cost, and AV partners not taking a larger share. The first negative evidence would be a Mobility margin drop below the mid-20s while revenue and bookings are still growing.

Third, management's Delivery commentary says Delivery Gross Bookings from the Mobility app were already near a $15B run-rate, with 30% of eligible Mobility consumers never having used Eats, and that cross-platform engagement is "just scratching the surface." This is the most seductive growth argument in the file. It may be true, but it is not the same as proving incremental Delivery profit. Cross-sell can bring in attractive repeat users, or it can bring in price-sensitive users via discounted membership benefits and promotions. The data package also says Uber One profitability and churn are true non-disclosures. The first negative evidence would be Delivery revenue growth staying high while Segment OI margin stays around 18%-19%, implying the new volume is not converting into the 22.5% base-margin path.

Fourth, management frames AVs as market expansion and supply augmentation rather than near-term replacement of human drivers. That is a defensible strategy, not a proven economic result. Uber's partner-led approach avoids the capital burden of owning the full driving stack, but it also means Uber may not control the scarce supply. The Lucid/Nuro program contemplates at least 20,000 vehicles over six years, but vehicle economics, revenue share, partner economics, and mature-market contribution are not disclosed. If AV partners discover that they can own the rider relationship in dense markets, Uber's role could shift from platform to distribution channel with weaker bargaining power.

5. Stage 5 Tie-Out Spot-Check

The synthesis's arithmetic checks pass. The problem is not summation. The recency anchor is correctly set to the four quarters ending 2026-03-31, and Q1 annualized revenue is within 1.6% of TTM revenue. The issue is trend quality inside that anchor. Q1 2026 annualized revenue can be close to TTM revenue while the most important segment has a take-rate problem. Mobility revenue growth of 5% against bookings growth of 25% is more important than the company-level annualized revenue tie.

The share-count path is plausible but not conservative enough to be treated as a free EPS stabilizer. The model starts from Q1 2026 diluted shares of 2,071.391M, assumes $20.0B of post-Q1 buybacks over five years, 130.0M SBC shares issued, and 1,985.648M ending diluted shares. That is only a 4.1% net reduction, so the synthesis is not abusing buybacks. But the path still assumes repurchases continue while AV partnerships, M&A, insurance, regulation, and platform investments remain manageable. Management repurchased $6.523B in FY2025 and $3B in Q1 2026, but SBC guidance near $2.0B and AV-related commitments mean the right monitor is net diluted share count, not gross dollars spent.

Delivery's base case needs careful monitoring because it embeds two things at once: mid-teens revenue growth and margin expansion from 18.6% to 22.5%. The model says advertising, density, batching, cross-sell, and Uber One lift revenue quality. Maybe. But grocery and retail complexity, Uber Direct logistics-like volume, consumer fee sensitivity, merchant pushback, courier regulation, and membership subsidies can all move the other way. Because product revenue and profitability inside Delivery are not disclosed, the model cannot prove that the high-growth sublines are also the high-margin sublines.

Corporate expense is another quiet risk. The synthesis grows the $3.968B TTM Corporate G&A and Platform R&D allocation at 5.0% annually to $5.064B. That is reasonable if Uber scales cleanly, but AV commercialization infrastructure, safety, regulatory operations, insurance tooling, payments, support, AI, and public-company functions may not scale that slowly. If corporate expense grows with complexity rather than revenue efficiency, the segment margin upside leaks before reaching shareholders.

6. Score-Derived 20% Return Claim Most Likely Wrong

The audited scoring work already rejects Uber as a 20% compounder at the current price, and the red team agrees. The claim most likely to be wrong is any softer interpretation that says the P/E 15 pass means the stock is close to Gideon's 20% return hurdle. It is not. The scoring audit states the audited total score is 56/100, Business Quality is 52/80, Valuation / 20% Return UW is 4/20, base IRR is about 7.5%, bear IRR is negative, bull IRR is about 13.5%, and the base case needs about a 26x horizon P/E or a roughly $41.73 entry price to reach 20%.

The assumption that breaks the 20% case first is exit multiple, followed by NOPAT durability. At $72.25, base EPS of $6.92 times 15 produces $103.83, not the roughly $179.79 ending value needed for a 20% annualized return over five years. To get there on the same EPS, the terminal P/E has to be about 26x. That requires the market to view Uber as a durable, high-quality compounder at the horizon. But the moat and 2046 tests are YELLOW, clean ROIIC is not calculated, acquisition-inclusive ROIIC is missing, AV economics are undisclosed, Uber One profitability and churn are undisclosed, and switching costs are low at the transaction level. The red team does not see evidence for underwriting a 26x terminal multiple with confidence.

7. Exit Signal With Quantitative Threshold

The exit signal should be a combined Mobility value-capture test, because Mobility is the profit engine and the earliest place AV, insurance, regulation, incentives, and take-rate pressure will show up. Exit or force a full thesis rewrite if, over the next two reported quarters, Mobility revenue growth remains below 8% year over year while Mobility Gross Bookings grow at least 15% year over year, and Mobility Segment OI margin falls below 25.0% in either quarter.

This threshold is intentionally specific. Below 8% Mobility revenue growth means the segment is tracking closer to the bear CAGR than the 12.0% base. Gross Bookings growth of at least 15% means consumer demand is not the problem; value capture is. A margin below 25.0% means the revenue shortfall is not being offset by insurance leverage, incentives discipline, or scale. If all three conditions appear together, the base Mobility line of $52.821B revenue and 28.0% margin is no longer the right underwriting case. The synthesis should be rewritten around the bear case or a materially lower-confidence base.

Secondary exit monitors: Delivery should not be allowed to hide a Mobility break. If Delivery revenue growth stays high but Segment OI margin remains below 19.5% for two consecutive quarters, the 22.5% margin path should be cut. If diluted shares remain above 2.05B after four quarters of buybacks above $10B cumulative, the share-count path should be treated as failing because SBC and price paid are absorbing capital return. If AV city expansion comes with no mature-market economics by 2027 and Mobility take rate weakens in those markets, AV should be modeled as bargaining-power risk, not option value.

8. Conviction

Red-team conclusion: conditional, leaning negative for Gideon-quality conviction. Uber survives as a strong operating company and probably survives the narrow ER2 P/E 15 test if the base segment model holds. It does not survive as a high-confidence 20% compounder at the current price. The strongest break is not Freight and not near-term bankruptcy-style risk; it is that Mobility remains popular while value capture deteriorates, and Delivery grows while incremental economics prove less attractive than the margin bridge assumes.

The final report should therefore resist the bullish shortcut. A 43.7% P/E 15 cushion is useful, but it is not a substitute for clean long-duration durability or a 20% return setup. Management PASS helps. Moat YELLOW and 2046 YELLOW matter more than a casual reader may think. The right underwriting posture is: Uber is a real platform with improving economics, but the current price requires investors to accept material unresolved questions around AV bargaining power, Mobility take rate, Delivery margin quality, net share retirement, and terminal multiple. Position sizing should reflect that this is a good business with a fragile quality-premium claim, not a clean Gideon compounder.

Appendix D - Data Package (raw historicals)

Uber Technologies, Inc. (UBER) - Data Package

Prepared by: Sub-Agent D Date: 2026-06-26 Workdir: C:\Users\Admin\OneDrive\GPT\ER 2.0\Uber Technologies Fiscal year convention: FY ends December 31. Most recent completed quarter: Q1 2026 ended March 31, 2026 and reported May 6, 2026. TTM anchor: Q2 2025 plus Q3 2025 plus Q4 2025 plus Q1 2026, ending 2026-03-31. Forward horizon: 2031-03-31. QF/QFR gate status: CLEARED FOR WAVE 1. This package uses QF as financial ground truth and preserves the QF warning that TTM segment profitability must use Uber Q1 2026 supplemental page 27 homogeneous Segment Operating Income.

0a. Industry classification and disclosure inventory

Uber is a platform, local-commerce, mobility, delivery, and logistics marketplace. FMP has usable segment/offering revenue data because the live revenue-product-segmentation endpoint maps to Mobility, Delivery, and Freight and ties to the 10-K and quarterly releases; it is not a product-revenue table below the reportable-segment level. FMP does not carry the operating KPI layer that matters for marketplace economics: Gross Bookings, Trips, MAPCs, take rate, Uber One engagement, AV deployment notes, and the Q1 2026 reporting change from Segment Adjusted EBITDA to Segment Operating Income. Official SEC-filed earnings releases, the FY2025 10-K, the Q1 2026 10-Q, Uber prepared remarks, transcripts, and the Q1 2026 supplemental data were therefore checked live in this run.

Dataset / table family	Official source searched	Search terms or table names	Years available	Included in data package?	If excluded, why	Downstream relevance
Segment economics	FY2021-FY2025 10-Ks plus Q1 2026 supplemental	Segment Information, Revenue, Segment Adjusted EBITDA, Segment Operating Income	FY2021-FY2025 and Q2 2025-Q1 2026	Yes	n/a	Segment appendices and synthesis base
Industry KPIs	SEC-filed earnings releases and prepared remarks	Gross Bookings, Trips, MAPCs, monthly active users, Uber One, take rate	FY2021-FY2025 and latest TTM where disclosed	Yes	Some product-specific user metrics are not separately disclosed	Moat, growth runway, recency
Product and subsegment dollars	10-Ks, quarterly releases, prepared remarks, FMP product segmentation	Grocery and Retail, advertising, Uber One, Moto, Premium, Reserve, Uber Direct	Segment dollars only; product KPI dollars selectively disclosed	Partial	Product-level revenue is true non-disclosure beyond reportable segments	Prevents fabricated product revenue
Capital and balance sheet	FMP live statements, 10-K, 10-Q, Q1 release	Capex, R&D, repurchases, debt, cash, goodwill, intangibles	FY2021-FY2025 and Q1 2026	Yes	n/a	FCF, leverage, ROIC, capital allocation
Corporate actions	SEC 8-Ks, press releases, Q4 AV Spotlight, Q1 remarks	Buyback, CFO transition, Lucid Nuro, Autonomous Solutions, S&P 100	Last 12 months	Yes	Some commercial partnership economics are not disclosed	Management and moat assessment

KPI family	Granularity	FY2021	FY2022	FY2023	FY2024	FY2025	Latest interim / TTM	Source path
Gross Bookings	Company total	$90.4B	$115.4B	$137.9B	$162.8B	$193.5B	$204.4B TTM	SEC annual releases, QF P4
Trips	Company total	6.4B	7.6B	9.4B	11.3B	13.6B	3.6B in Q1 2026, up 20% YoY	SEC earnings releases
Audience	MAPCs or monthly active users where disclosed	Q4 point disclosed	Q4 point disclosed	Q4 point disclosed	171M Q4 MAPCs	202M monthly active users in Q4 2025	199M MAPCs Q1 2026	SEC releases and FMP transcript
Take rate	Revenue / Gross Bookings	19.3%	27.6%	27.0%	27.0%	26.9%	26.3% TTM	Calculated from revenue and Gross Bookings
Segment revenue	Mobility, Delivery, Freight	Yes	Yes	Yes	Yes	Yes	Yes, quarterly	FMP product segmentation and SEC releases
Segment profitability	Segment Adjusted EBITDA annual, Segment OI TTM	Yes	Yes	Yes	Yes	Yes	Q2 2025-Q1 2026 homogeneous Segment OI	SEC 10-Ks and Q1 2026 supplemental page 27

KPI family	Granularity	FY2021	FY2022	FY2023	FY2024	FY2025	Latest interim / TTM	Source path
Capital allocation	Capex, R&D, buybacks, dividends, M&A cash flow / acquisition cash-flow line	Yes	Yes	Yes	Yes	Yes	Q1 2026 balance sheet and cash flow	FMP live statements

Disclosure conclusion: Uber discloses enough segment-level dollars to model Mobility, Delivery, and Freight without estimating segment revenue. It does not separately disclose revenue by product within Mobility or Delivery. Product references such as Uber One, Reserve, Moto, Grocery and Retail, advertising, and Uber Direct are therefore used as KPI or growth indicators unless the company gives a dollar figure such as Gross Bookings run-rate. They are not treated as product revenue dollars.

1. Reporting structure and taxonomy

Uber reports three operating and reportable segments: Mobility, Delivery, and Freight. Mobility connects consumers with Drivers across rides, taxis, two-wheelers, reservations, financial partnerships, and advertising. Delivery covers restaurant delivery plus grocery, alcohol, convenience, retail, Uber Direct, and advertising. Freight connects shippers and carriers in a logistics marketplace and related managed transportation activity. The current three-segment structure is stable from FY2023 onward; FY2021 and FY2022 still showed residual All Other from ATG, Other Technology Programs, and New Mobility exits, but those residuals were immaterial by FY2022 and are not used as current operating segments.

The important Q1 2026 taxonomy change is profitability metric presentation, not segment naming. Before Q1 2026, Uber reported Segment Adjusted EBITDA in quarterly releases. In Q1 2026, it changed the quarterly segment bridge to Segment Operating Income and Non-GAAP Operating Income. QF and QFR explicitly reject a mixed bridge that combines Q2-Q4 2025 Segment Adjusted EBITDA with Q1 2026 Segment Operating Income. The controlling TTM profitability base is: Mobility $7.649B, Delivery $3.443B, Freight -$0.114B, Corporate G&A and Platform R&D -$3.968B, and Non-GAAP Operating Income $7.010B.

Segment	FY2025 revenue ($B)	% of FY2025 revenue	Description	Taxonomy flag
Mobility	29.670	57.0%	Rides and related mobility marketplace products	Stable current segment
Delivery	17.248	33.2%	Restaurant, grocery, retail, Uber Direct, and ads within local commerce	Stable current segment
Freight	5.099	9.8%	Freight brokerage and managed transportation marketplace	Stable current segment

Geography is material for growth and regulation but is not the modeling segment. The FY2025 10-K discloses revenue by region: US and Canada $26.469B, Latin America $3.327B, EMEA $16.364B, and APAC $5.857B. The FMP geographic endpoint live pull did not tie cleanly to official FY2025 revenue, so official SEC geography controls and the FMP geography pull is treated as not usable for this package.

2. Consolidated historicals

Metric	FY2021	FY2022	FY2023	FY2024	FY2025	Source
Revenue ($B)	17.455	31.877	37.281	43.978	52.017	FMP income statement, cash flow, and key metrics live pull
Operating income ($B)	-3.834	-1.832	1.110	2.799	5.565	FMP income statement, cash flow, and key metrics live pull
Operating margin (%)	-22.0%	-5.7%	3.0%	6.4%	10.7%	FMP income statement, cash flow, and key metrics live pull
Net income ($B)	-0.496	-9.141	1.887	9.856	10.053	FMP income statement, cash flow, and key metrics live pull
EPS diluted ($)	-0.26	-4.65	0.87	4.56	4.73	FMP income statement, cash flow, and key metrics live pull

Metric	FY2021	FY2022	FY2023	FY2024	FY2025	Source
Diluted shares (M)	1892.5	1974.9	2091.8	2150.5	2119.7	FMP income statement, cash flow, and key metrics live pull
Capex ($B)	0.298	0.252	0.223	0.242	0.336	FMP income statement, cash flow, and key metrics live pull
FCF ($B)	-0.743	0.390	3.362	6.895	9.763	FMP income statement, cash flow, and key metrics live pull
ROIC (%)	-6.8%	-7.6%	3.4%	6.8%	11.2%	FMP income statement, cash flow, and key metrics live pull

ROIC note: the table uses FMP key metrics return on invested capital from the live pull. As a cross-check, normalized ROIC can be viewed as NOPAT divided by invested capital, with NOPAT equal to GAAP operating income after a normalized 21% statutory tax rate and invested capital approximated by interest-bearing debt plus equity less cash and short-term investments. FY2025 GAAP tax expense was distorted by a deferred tax benefit and valuation allowance release, so the FMP ROIC series is more stable than using reported effective tax rates mechanically. The trend is the key fact: Uber moved from negative ROIC in FY2021-FY2022 to positive mid-single-digit ROIC in FY2023-FY2024 and low double-digit ROIC in FY2025, before considering the Q1 2026 TTM Non-GAAP Operating Income base.

3. Segment historicals

Annual segment revenue is dollar-disclosed and ties to the FMP live revenue-product-segmentation endpoint. Annual segment profit below is Segment Adjusted EBITDA from the 10-K historical segment tables and is included for context only. It is not the TTM segment-profit base for the forward model.

Mobility

Mobility	FY2021	FY2022	FY2023	FY2024	FY2025	Source
Revenue ($B)	6.953	14.029	19.832	25.087	29.670	FMP product segmentation and SEC 10-K segment note
Revenue YoY	n/a	101.8%	41.4%	26.5%	18.3%	Calculated from disclosed segment revenue
Segment Adjusted EBITDA ($B)	1.596	3.299	4.963	6.497	7.899	SEC 10-K segment adjusted EBITDA tables
Adj EBITDA margin	23.0%	23.5%	25.0%	25.9%	26.6%	Calculated as segment adjusted EBITDA divided by revenue

Delivery

Delivery	FY2021	FY2022	FY2023	FY2024	FY2025	Source
Revenue ($B)	8.362	10.901	12.204	13.750	17.248	FMP product segmentation and SEC 10-K segment note
Revenue YoY	n/a	30.4%	12.0%	12.7%	25.4%	Calculated from disclosed segment revenue
Segment Adjusted EBITDA ($B)	-0.348	0.551	1.506	2.471	3.572	SEC 10-K segment adjusted EBITDA tables
Adj EBITDA margin	-4.2%	5.1%	12.3%	18.0%	20.7%	Calculated as segment adjusted EBITDA divided by revenue

Freight

Freight	FY2021	FY2022	FY2023	FY2024	FY2025	Source
Revenue ($B)	2.132	6.947	5.245	5.141	5.099	FMP product segmentation and SEC 10-K segment note

Freight	FY2021	FY2022	FY2023	FY2024	FY2025	Source
Revenue YoY	n/a	225.8%	-24.5%	-2.0%	-0.8%	Calculated from disclosed segment revenue
Segment Adjusted EBITDA ($B)	-0.130	0.000	-0.064	-0.074	-0.033	SEC 10-K segment adjusted EBITDA tables
Adj EBITDA margin	-6.1%	0.0%	-1.2%	-1.4%	-0.6%	Calculated as segment adjusted EBITDA divided by revenue

Separate TTM profitability bridge: the Q2 2025 through Q1 2026 homogeneous Segment Operating Income bridge is Mobility $7.649B, Delivery $3.443B, Freight -$0.114B, Corporate G&A and Platform R&D -$3.968B, and Non-GAAP Operating Income $7.010B. This bridge ties to Q2 2025 Non-GAAP OI $1.534B, Q3 2025 $1.675B, Q4 2025 $1.918B, and Q1 2026 $1.883B. Downstream segment models should use this TTM bridge for profitability, while using the annual adjusted EBITDA tables only for directional historical context.

4. Product and sub-segment historicals

The finest clean dollar-disclosed revenue granularity is the reportable segment. Uber gives several product and operating KPIs, but it does not disclose standalone revenue for Uber One, UberX, Reserve, Moto, Grocery and Retail, Uber Direct, advertising, or autonomous products. The anti-fabrication rule is therefore simple: do not invent product revenue inside Mobility or Delivery. Use disclosed Gross Bookings run-rates and growth rates as KPIs only.

Segment	Product or subsegment	What it is	Dollar disclosure?	Last 3 years revenue plus source
Mobility	Core Mobility offerings	Rides across cars, taxis, two-wheelers, and other modalities	Segment revenue only	FY2023 $19.832B, FY2024 $25.087B, FY2025 $29.670B from FMP and SEC 10-K
Mobility	Reserve	Scheduled rides and advance-booked use cases	No product revenue dollars	Growth-rate and margin commentary only from earnings calls
Mobility	Moto and low-cost products	Two-wheeler and affordability products in developing markets	Gross Bookings run-rate disclosed, not revenue	Q2 2025 call disclosed over $1.5B Gross Bookings and 40% growth
Mobility	Premium products	Higher-tier mobility offerings	Gross Bookings run-rate disclosed, not revenue	Q2 2025 call disclosed over $10B Gross Bookings and 35% growth
Delivery	Restaurant delivery	Marketplace for meals and local restaurants	Segment revenue only	FY2023 $12.204B, FY2024 $13.750B, FY2025 $17.248B from FMP and SEC 10-K
Delivery	Grocery and Retail	Grocery, alcohol, convenience, and retail categories	No revenue dollars	Management says this is a key Delivery growth vector, but product revenue is not separately disclosed
Delivery	Uber Direct	White-label local delivery for merchants	No revenue dollars	Operating commentary only; no historical revenue table found
Freight	Freight brokerage and managed transportation	Carrier and shipper marketplace plus managed transportation	Segment revenue only	FY2023 $5.245B, FY2024 $5.141B, FY2025 $5.099B from FMP and SEC 10-K

Segment	Product	Disclosure method	Last 4 quarters or latest growth disclosure	Source
Mobility	Reserve	YoY growth commentary	Reserve continued to grow well above the mainline business; Q2 call referenced roughly 60% growth	FMP Q2 2025 transcript live pull
Mobility	Moto	Gross Bookings run-rate and YoY growth	Over $1.5B Gross Bookings run-rate and growing about 40%	FMP Q2 2025 transcript live pull
Mobility	Premium	Gross Bookings run-rate and YoY growth	Over $10B Gross Bookings run-rate and growing about 35%	FMP Q2 2025 transcript live pull
Delivery	Cross-platform Delivery from Mobility app	Gross Bookings run-rate	Nearly $15B Delivery Gross Bookings run-rate coming from the Mobility app	FMP Q1 2026 transcript live pull

Segment	Product	Disclosure method	Last 4 quarters or latest growth disclosure	Source
Company wide	Uber One	Members and booking mix	More than 50M members globally and roughly half of Mobility and Delivery Gross Bookings from members	Q1 2026 prepared remarks PDF
Autonomous	Uber Autonomous Solutions	Strategic platform launch	Partnership and deployment commentary only; no product revenue disclosed	Q4 2025 AV Spotlight and Q1 2026 remarks

5. Most recent quarterly trend

Company FY ends December 31. Most recently completed fiscal quarter at time of writing: FY2026 Q1, covering January-March 2026, reported on May 6, 2026 via the SEC-filed Q1 2026 earnings release and Uber IR materials. The table below uses revenue and Gross Bookings from the SEC-filed quarterly releases, and homogeneous Segment Operating Income from Uber Q1 2026 supplemental data page 27 for all four TTM quarters.

Quarter	Segment	Gross Bookings ($B)	Revenue ($B)	Revenue YoY	Segment OI ($B)	Segment OI margin	Source
Q2 2025	Mobility	23.762	7.288	19.0%	1.729	23.7%	SEC Q2 release for revenue and bookings, Q1 2026 supplemental page 27 for Segment OI
Q2 2025	Delivery	21.734	4.102	25.0%	0.766	18.7%	SEC Q2 release and Q1 2026 supplemental page 27
Q2 2025	Freight	1.260	1.261	-1.0%	-0.026	-2.1%	SEC Q2 release and Q1 2026 supplemental page 27
Q3 2025	Mobility	25.111	7.682	20.0%	1.864	24.3%	SEC Q3 release and Q1 2026 supplemental page 27
Q3 2025	Delivery	23.322	4.477	29.0%	0.811	18.1%	SEC Q3 release and Q1 2026 supplemental page 27
Q3 2025	Freight	1.307	1.308	0.0%	-0.040	-3.1%	SEC Q3 release and Q1 2026 supplemental page 27
Q4 2025	Mobility	27.442	8.204	19.0%	2.027	24.7%	SEC Q4 release and Q1 2026 supplemental page 27
Q4 2025	Delivery	25.431	4.892	30.0%	0.905	18.5%	SEC Q4 release and Q1 2026 supplemental page 27
Q4 2025	Freight	1.267	1.270	0.0%	-0.018	-1.4%	SEC Q4 release and Q1 2026 supplemental page 27
Q1 2026	Mobility	26.394	6.798	5.0%	2.029	29.8%	SEC Q1 release and Q1 2026 supplemental page 27
Q1 2026	Delivery	25.992	5.068	34.0%	0.961	19.0%	SEC Q1 release and Q1 2026 supplemental page 27
Q1 2026	Freight	1.334	1.337	6.0%	-0.030	-2.2%	SEC Q1 release and Q1 2026 supplemental page 27

Load-bearing recency check: Mobility remains the largest segment by revenue and Gross Bookings. In Q1 2026, Mobility Gross Bookings were $26.394B, up 25% reported and 20% constant currency, while Mobility revenue was $6.798B, up 5%

reported and 1% constant currency. That growth rate was verified against Uber's live SEC-filed Q1 2026 earnings release dated May 6, 2026: https://investor.uber.com/news-events/news/press-release-details/2026/Uber-Announces-Results-for-First-Quarter-2026/default.aspx.

6. Management commentary

Verbatim snippets are kept short. Longer management discussion is paraphrased and labeled as paraphrase. FMP transcript date fields were checked: Q2 2025 call dated 2025-08-06, Q3 2025 call dated 2025-11-04, Q4 2025 call dated 2026-02-04, and Q1 2026 call dated 2026-05-06.

Fiscal period	Call date	Speaker	Quote or paraphrase	Topic	Model implication
Q1 2026	2026-05-06	Dara Khosrowshahi, CEO	Quote: Uber had an exceptional start to 2026.	Company momentum	Supports continued high-teens bookings growth base case, but not product-level revenue invention
Q1 2026	2026-05-06	Dara Khosrowshahi, CEO	Paraphrase: growth was balanced; Mobility Gross Bookings accelerated, Delivery was led by grocery and retail, and Freight returned to growth after nearly two years.	Segment trend	Use Mobility and Delivery as core engines; keep Freight recovery modest until sustained
Q1 2026	2026-05-06	Balaji Krishnamurthy, CFO	Quote: first year since COVID.	Insurance cost leverage	CFO said U.S. Mobility insurance should show leverage for the first year since COVID, supporting margin expansion but with insurance reserve risk
Q1 2026	2026-05-06	Balaji Krishnamurthy, CFO	Paraphrase: Delivery Gross Bookings from the Mobility app were already near a $15B run-rate, with 30% of eligible Mobility consumers never having used Eats.	Cross-platform Delivery	Underwrites Delivery penetration runway without inventing separate product revenue
Q4 2025	2026-02-04	Dara Khosrowshahi, CEO	Quote: clear operating framework to generate durable growth.	Framework	Management is explicitly positioning 2026 as durable growth plus targeted investment, not pure harvest
Q4 2025	2026-02-04	Dara Khosrowshahi, CEO	Paraphrase: AVs are framed as market expansion and supply augmentation rather than a near-term replacement of human driver supply.	Autonomous vehicles	AV is upside and risk; model as partnership-driven optionality, not owned-AV revenue today
Q4 2025	2026-02-04	Balaji Krishnamurthy, CFO	Paraphrase: non-top-20 U.S. markets drive a large share of U.S. profit and are unlikely to be served by AVs soon.	Mobility durability	Supports a more nuanced AV disruption risk assessment by geography
Q3 2025	2025-11-04	Dara Khosrowshahi, CEO	Quote: fastest growth since 2023.	Trips and bookings	Confirms Q3 acceleration was not a small accounting artifact
Q3 2025	2025-11-04	Prashanth Mahendra-Rajah, CFO	Paraphrase: Delivery growth accelerated broadly across multiple markets, with Grocery and Retail introducing consumers into online food delivery.	Delivery growth	Supports Delivery growth and cross-sell assumptions, but no separate Grocery revenue dollars
Q3 2025	2025-11-04	Dara Khosrowshahi, CEO	Paraphrase: Phoenix, Austin, and Atlanta were growing more than twice the rest of the U.S. as AV deployments expanded.	AV deployment	Suggests AV can add demand in some markets; causal proof remains early
Q2 2025	2025-08-06	Dara Khosrowshahi, CEO	Quote: just scratching the surface.	Cross-platform engagement	Management sees low cross-use between Mobility and Delivery as a major runway
Q2 2025	2025-08-06	Dara Khosrowshahi, CEO	Paraphrase: dual Mobility and Delivery users had 35% higher retention and generated about 3x gross bookings and profit versus single-business consumers.	Platform flywheel	Use as moat evidence; do not treat as a segment-dollar forecast by itself

Fiscal period	Call date	Speaker	Quote or paraphrase	Topic	Model implication
2024 investor update	2024-02-14	Management presentation	Paraphrase: Uber reiterated Mobility, Delivery, advertising, membership, and platform cross-sell as long-duration growth levers.	Latest investor materials	The latest broad investor materials are older than the last four calls, so calls control recency

Management commentary summary by segment: Mobility commentary centers on reliability, affordability, sparse geography penetration, Reserve, premium, low-cost products, and AV supply partnerships. Delivery commentary centers on grocery and retail, merchant selection, Uber One, cross-platform entry points, and Delivery demand generated from the Mobility app. Freight commentary is thinner and mostly notes that Freight returned to growth in Q1 2026 after a prolonged weak period. The absence of detailed Freight forward targets is a data point: downstream Freight modeling should be conservative.

7. Capital allocation history

Year	Capex ($B)	Capex / revenue	R&D ($B)	R&D / revenue	Buybacks ($B)	Dividends ($B)	Acquisition cash flow ($B, positive = inflow)	Source
2021	0.298	1.7%	2.054	11.8%	0.000	0.000	1.314	FMP cash flow and income statement live pull
2022	0.252	0.8%	2.798	8.8%	0.000	0.000	0.033	FMP cash flow and income statement live pull
2023	0.223	0.6%	3.164	8.5%	0.000	0.000	0.721	FMP cash flow and income statement live pull
2024	0.242	0.6%	3.109	7.1%	1.252	0.000	0.851	FMP cash flow and income statement live pull
2025	0.336	0.6%	3.402	6.5%	6.523	0.000	0.120	FMP cash flow and income statement live pull

Capital allocation readout: Uber is now a high-FCF, low-capex marketplace. FY2025 capex was only $0.336B against $52.017B of revenue, while FCF was $9.763B. The biggest capital allocation change is repurchases: FMP cash flow shows $6.523B of common stock repurchased in FY2025 after $1.252B in FY2024 and zero in FY2021-FY2023. Uber announced an additional $20B repurchase authorization in the Q2 2025 release. The company pays no common dividend. Acquisition cash-flow activity has been modest in recent years, but AV-related strategic investments and vehicle programs are a separate capital allocation watch item because they can shift the business from pure marketplace economics toward capital facilitation.

8. Balance sheet snapshot

Item	$B or ratio	Source
Cash and equivalents	5.558	FMP Q1 2026 balance sheet and Uber Q1 2026 10-Q
Short-term investments	0.533	FMP Q1 2026 balance sheet and Uber Q1 2026 10-Q
Cash plus short-term investments	6.091	FMP Q1 2026 balance sheet
Total debt current plus long-term	12.419	FMP Q1 2026 balance sheet
Net debt using cash only	6.861	QF calculation from Q1 2026 balance sheet
Net debt less cash and STI	6.328	QF calculation from Q1 2026 balance sheet
Net debt / TTM Adjusted EBITDA	0.73x cash-only, 0.68x including STI	QF using TTM Adjusted EBITDA of $9.343B
Goodwill plus intangibles	9.909	FMP Q1 2026 balance sheet
Tangible book value	14.842	Stockholders equity $24.751B less goodwill and intangibles $9.909B

Balance sheet interpretation: liquidity is ample and leverage is not a near-term disqualifier. Net debt to TTM Adjusted EBITDA is below 1.0x, and cash plus short-term investments of $6.091B offsets roughly half of total debt. Goodwill and intangibles are meaningful at $9.909B, so tangible book value is far below stated equity, but Uber is not balance-sheet valued. The most important balance-sheet sensitivity is whether the AV strategy remains partner-financed and marketplace-like or requires Uber to absorb more vehicle, facility, or financing capital.

9. Recent corporate actions

- 2025-08-06: Uber announced a new share repurchase program of up to an additional $20B of common stock in the Q2 2025 earnings release. This follows the FY2025 FMP cash-flow evidence of $6.523B in repurchases.
- 2026-02-04: Uber announced a CFO transition. Prashanth Mahendra-Rajah stepped down as CFO effective February 16, 2026, and Balaji Krishnamurthy became CFO. The SEC 8-K states Mahendra-Rajah would serve as Senior Finance Advisor through July 1, 2026.
- 2025-07-17: Uber, Lucid, and Nuro announced a next-generation autonomous robotaxi program with at least 20,000 Lucid vehicles equipped with the Nuro Driver over six years, available through Uber or third-party fleet partners. Economics by vehicle and market are not disclosed.
- 2026-01-05: Lucid, Nuro, and Uber unveiled a global robotaxi at CES and announced autonomous on-road testing. This is strategically relevant but not a disclosed revenue line.
- 2026-02-04: Uber published an Autonomous Vehicles Spotlight alongside Q4 2025 materials. The document supports management intent to be an AV commercialization platform, but no standalone AV revenue was disclosed.
- 2026-02-23: Uber announced Uber Autonomous Solutions to support AV partners with commercialization, operations, and platform integration. Treat as strategic optionality and potential competitive response to AV-only platforms.
- 2025-09-22: Uber was added to the S&P 100 according to S&P Dow Jones Indices. This is not operational but can affect shareholder base and index demand.
- Legal and regulatory matters remain ongoing across driver classification, delivery regulation, insurance, taxes, and local market rules. No single newly disclosed legal event in the last 12 months changes the financial base, but the risk remains material to margins and take rates.

10. Open data gaps

Gap	Label	Sources and search terms checked	Treatment
Product revenue inside Mobility and Delivery	True non-disclosure	FY2021-FY2025 10-Ks, Q2-Q4 2025 and Q1 2026 releases, prepared remarks; searched Reserve, Moto, Premium, Uber One, Grocery and Retail, Uber Direct, advertising	Do not invent revenue. Use segment revenue and disclosed product KPIs only
Freight forward margin detail	True non-disclosure	Last four calls and FY2025 10-K; searched Freight guidance, managed transportation, brokerage margin	Use conservative Freight recovery assumptions until management gives more detailed targets
FMP geographic segment endpoint did not tie to official revenue	Estimated / not usable	FMP revenue-geographic-segmentation live pull and FY2025 10-K geographic note	Use official SEC geography table only
AV unit economics, vehicle ownership economics, and partner revenue share	True non-disclosure	AV Spotlight, Lucid Nuro releases, Q4 and Q1 calls; searched vehicle economics, revenue share, fleet financing	Treat AV as optionality and risk; do not model standalone AV revenue without assumptions
Uber One profitability and churn	True non-disclosure	Prepared remarks and calls; searched Uber One members, retention, Gross Bookings, profit	Use membership count and booking mix as moat indicators only
MAPC annual history before recent release tables	Estimated / partial	Annual and quarterly releases; searched MAPCs, monthly active users, audience	Use disclosed point-in-time audience metrics, not a fabricated annual series
Corporate G&A and Platform R&D segment allocation by product	True non-disclosure	Q1 supplemental page 27 and 10-K segment note	Use disclosed corporate allocation total in segment bridge; do not allocate by product
Recent investor day	Not applicable / stale	Investor Day 2022 and February 2024 investor update checked	Last four calls and 2026 AV materials are more current; older investor materials are supporting only

Self-verification log: first, the most recent largest-segment growth trend was checked against Uber's live SEC-filed Q1 2026 earnings release dated May 6, 2026, confirming Mobility Gross Bookings of $26.394B, up 25% reported and 20% constant currency. Second, the Section 6 management snippets were checked against live FMP transcript pulls dated 2025-08-06,

2025-11-04, 2026-02-04, and 2026-05-06. Third, FY2025 revenue was checked against the live FMP annual income statement pull, which reports $52.017B and ties to the SEC FY2025 10-K.