

Uber reports surge in Q4 revenues, offers bullish outlook

February 8 2023



Uber CEO Dara Khosrowshahi predicted the company would be largely insulated from an economic downturn.

Uber revenues surged in the fourth quarter on resurgent consumer activity as the ride-hailing company on Wednesday said it would be

largely insulated from an economic downturn.

The Silicon Valley giant made more than two billion trips in a quarter for the first time, transporting nearly one million riders per hour in the quarter ending December 31, executives said.

Chief Executive Dara Khosrowshahi told analysts on a conference call the performance was bolstered by Uber's membership services, as well as the "tailwind in terms of people getting out, people shopping more, people going out to dinner more, etc."

Revenues in the fourth quarter jumped nearly 50 percent to \$8.6 billion.

Net profit came in at \$595 million, a drop of 33 percent from the year-ago results, with earnings in both years affected by the change in value of Uber's equity investments.

The company reported an annual loss of \$9.1 billion after losing money in the prior three quarters.

Khosrowshahi offered an upbeat demand outlook for Uber's services, saying that in the United States, most of the country except for the West Coast had returned to pre-COVID levels in terms of activity.

The company is still a bit short of pre-pandemic levels in terms of trips per customer.

"There's no reason that I see why we shouldn't hit or exceed our all-time highs over a period of time," he said.

Uber currently has "very very healthy" levels of available drivers, with inflation in [consumer goods](#) boosting its workforce. Drivers are up 35 percent from year-ago levels, Khosrowshahi said.

In prepared remarks, Khosrowshahi acknowledged that "macroeconomic uncertainty" clouds the outlook somewhat, but noted that spending on services still lags pre-pandemic levels.

"Mobility demand and supply are rapidly improving, and we expect the business to remain resilient in a downturn," he said in the remarks.

"Although Uber did not exist during the last global recession, consumer spending on local transportation was quite resilient in 2008-09, according to US BEA data."

Shares of Uber were up 0.1 percent at \$34.92 in early trading.

© 2023 AFP

Citation: Uber reports surge in Q4 revenues, offers bullish outlook (2023, February 8) retrieved 26 April 2024 from <https://techxplore.com/news/2023-02-uber-surge-q4-revenues-bullish.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.