

In a first for Uber since becoming a public company, an annual profit

February 7 2024, by Michelle Chapman



The Uber logo appears above a trading post on the floor of the New York Stock Exchange, Aug. 16, 2019. Uber posted its first full-year profit since going public in 2019 and its stock hit an all-time high Wednesday, Feb. 7, 2024, as strong bookings in the final quarter of the year pushed profit and revenue beyond Wall Street expectations. Credit: AP Photo/Richard Drew, File

Uber posted its first full-year profit since going public in 2019 and its stock hit an all-time high Wednesday as strong bookings in the final quarter of the year pushed profit and revenue beyond Wall Street expectations.

Like its final year as a [private company](#), the last time Uber turned a profit, it got a huge tailwind from investments that helped fuel profits, \$1 billion in 2023. The difference is that Uber has started making money from operations.

"2023 was an inflection point for Uber," said CEO Dara Khosrowshahi said in prepared remarks.

Uber and other ride-share companies struggled through the COVID-19 pandemic. The company, whose stock recently joined the [S&P 500 index](#), saw its ride-hailing business stymied as government lockdowns kept millions at home.

But Uber has focused on cutting costs and, during the pandemic, building up a then-nascent food-delivery division, which has since become a major [revenue](#) driver. Uber's ride-hailing service, meanwhile, has gradually bounced back and the numbers from the fourth quarter suggest both are trending in the right direction.

Delivery revenue grew 6%, and revenue for the ride-share part of the business climbed 34%.

Industry analysts also noted growth in the company's membership platform.

"Uber One now has roughly 19 million members across 25 countries, wrote William Blair's Ralph Schackart. "Uber One members generate roughly 30% of mobility and delivery gross bookings, up roughly 700

basis points year-over-year."

Uber earned \$1.43 billion, or 66 cents per share, much better than the per share earnings of 15 cents that Wall Street had expected, according to analysts polled by Zacks Investment Research. The company earned \$595 million, or 29 cents per share, in the same period last year.

Revenue totaled \$9.94 billion, beating Wall Street projections for \$9.75 billion.

Gross bookings surged 22% from the prior-year period to \$37.6 billion.

For the year, Uber posted a [profit](#) of \$1.89 billion, or 87 cents per share, on revenue of \$37.28 billion.

"Our audiences are larger and more engaged than ever, with our platform powering an average of nearly 26 million daily trips last year," Khosrowshahi said.

Last month Uber announced that it was shutting down alcohol delivery app Drizly at the end of March so that it could focus on its core Uber Eats strategy of helping consumers get almost anything on a single app.

Shares of Uber Technologies Inc., based in San Francisco, reaching an all-time high of \$71.90 early Wednesday.

© 2024 The Associated Press. All rights reserved. This material may not be published, broadcast, rewritten or redistributed without permission.

Citation: In a first for Uber since becoming a public company, an annual profit (2024, February 7) retrieved 27 April 2024 from

<https://techxplore.com/news/2024-02-uber-company-annual-profit.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.