

Uber Technologies Inc

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Uber Technologies files for IPO

Uber Technologies Inc (NYSE:Uber) filed an S-1 form Thursday with the Securities and Exchange Commission after the closing bell, setting the stage for the transportation company to go public next month.

This comes just weeks after ride-share rival Lyft Inc's (NASDAQ:LYFT) high-profile debut on the public market. The two ride-hailing companies had been racing toward the public markets practically in tandem, though Uber's highly anticipated offering is likely to be significantly larger, and one of the largest offerings this year.

According to Bloomberg, Uber is seeking to raise about \$10 billion, which would make Uber the largest tech IPO since Chinese e-commerce giant Alibaba Group Holding Ltd in 2014.

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Uber will be listed on the New York Stock Exchange under the symbol "Uber."

Not surprisingly, the Uber IPO is likely to deliver one of the biggest paydays in Silicon Valley startup history.

"The ride-hailing company, which revealed its largest shareholders in IPO documents on Thursday, is expected to go public as soon as next month at a valuation of as much as \$100 billion, or \$55 a share, people familiar with the matter have said," reported The Wall Street Journal.

Travis Kalanick, the former CEO of Uber holds a stake that could be valued at over \$6 billion.

Uber's biggest shareholder is SoftBank Group Inc., with a stake that would be worth more than \$12 billion at the upper end of the company's target IPO price range.

Google's parent, Alphabet Inc., is now one of the top holders in Uber, having invested from its venture-capital arm GV, for a stake that could be worth nearly \$4 billion.

Lifting the hood on financials

Uber explained throughout its filing that it faces mounting competition around the world, which took a toll on the business in the second half of 2018. The onslaught is so pronounced that a key measure of revenue growth between quarters has halted after surging in prior years.

Revenue from ride-hailing, minus some incentive payments to drivers and other costs, was \$2.31 billion in the fourth quarter, down about \$1 million from three months earlier. By contrast, in the final quarter of 2017, ride-hailing revenue expanded 12%.

Uber reported 2018 revenue of \$11.27 billion. The company posted net income of \$997 million in 2018, but an adjusted EBITDA loss of \$1.85 billion.

Share Information

Code: UBER

Listing: PRIVATE-NA

Sector: Software & Computer Services

Website: www.uber.com

Company Synopsis:

Uber is evolving the way the world moves. By seamlessly connecting riders to drivers through our apps, we make cities more accessible, opening up more possibilities for riders and more business for drivers. From our founding in 2009 to our launches in hundreds of cities today, Uber's rapidly expanding global presence continues to bring people and their cities closer.

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Competitor Lyft filed its S-1 documents in March, showing nearly \$1 billion in 2018 losses and revenues of \$2.1 billion.

Platform Synergies

Uber said in its filing that it intends to continue to invest in new platform offerings that it believe will further strengthen its "existing offerings and fuel multiple virtuous cycles of growth."

"We can rapidly launch and scale platform products and offerings by leveraging our massive network," said Dara Khosrowshahi in the prospectus. "For example, Uber Eats is used by many of the same consumers who use our ridesharing products, and is built on our existing technology stack, and has grown by leveraging many of the same regional operations teams that built our ridesharing products."

Revenue for the newer Uber Eats meal delivery service, touted last year by executives and investors as the shining star of rapid growth, amounted to \$165 million in the final three months of last year.

On a separate note, there were 1.5 billion trips logged on the Uber platform for the fourth quarter. Drivers have earned over \$78.2 billion on Uber since 2015, as well as \$1.2 billion in tips.

— Updates throughout with quotes from Uber CEO, valuation, potential IPO size, Uber Eats revenue —

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