

# Full Investment Memo — UBER

Generated: 2026-02-19 01:32 UTC

## Quick summary

Model rating: BUY (score 83/100)

Base support: 100.0%

Bear support: 89.5%

Bull support: 100.0%

Probability-weighted support: 97.4% (weights {'bear': 0.25, 'base': 0.5, 'bull': 0.25})

Confidence / veracity: 52/100

## Evidence to verify (Top 10 must-click headlines)

- Getir co-founders file lawsuit against Mubadala – report | finnhub | INSURANCE | impact -3  
| https://finnhub.io/api/news?

id=da027155bd31056d0cabace8b4fbe1ca104cd5b4ca6dda14fc3845dc936073e7

- Bank of America resets Uber stock price after earnings | finnhub | REGULATORY | impact -3  
| https://finnhub.io/api/news?

id=61772357fffdc75b23e68cb9e8ec768f87efec9d34433df68f6bbb124968ce12

- Consumer Watchdog's Consumer Alert Challenges Uber's Misleading Super Bowl  
"Consumer Alert" TV Ad: Uber Really Wants Removal of Legal Accountability for Faulty  
Safety Checks | finnhub | SAFETY | impact -2 | https://finnhub.io/api/news?

id=e8d0314a28db6d2e4ebbe541d728e8e6e3d7b317a011de45ec5be7c443fdc36b

- Uber Liability Verdict Puts Safety Data And Investor Risks In Focus | finnhub | INSURANCE  
| impact -2 | https://finnhub.io/api/news?

id=f10e3a67099b57552a9d829bee868929c2cc772f1f637964f1cd149e473b8a20

- Uber Jury Verdict Raises Fresh Questions On Safety Risks And Valuation | finnhub |  
SAFETY | impact -2 | https://finnhub.io/api/news?

id=69206f4dd687e3337706f419a68506e273fd635a31ed4e305434096f75c76838

- IBM spin-off CFO departs amid cash management review: Trial Balance | finnhub | OTHER  
| impact 0 | https://finnhub.io/api/news?

id=82270a4c740bf3b7678322f439605063222c3186cb41c0c3f3796392b0221292

- Uber Deepens Türkiye Footprint With Getir Delivery Buyout | finnhub | OTHER | impact 0  
| https://finnhub.io/api/news?

id=33d2c5ad35b4d45f75ed416b52f6132b4b1a2216f7b1fc4b392be4492c910a70

- Uber To Acquire Getir's Türkiye Delivery Portfolio Covering Food, Grocery, Retail, And Water Services; Terms Not Disclosed | finnhub | OTHER | impact 0 | <https://finnhub.io/api/news?id=049ae8617ee0c75685d83074cae5958e3cad04be216687f8b7f0e75e6802259f>
- Lyft debuts teen accounts more than two years after Uber | finnhub | OTHER | impact 0 | <https://finnhub.io/api/news?id=de2d8eae90608556df6105b711a5c099a8ef9319f40596da163d78ed0b36599b>
- Tesla Announces New Semi Truck Trim Levels, Elon Musk Reaffirms Volume Production This Year | finnhub | OTHER | impact 0 | <https://finnhub.io/api/news?id=cbde98592fd6bccdf0b7dcae8899aa7b050ceddbb3674619d857471834d7ec4>

## **The thesis (Base case)**

### **UBER: Base case — growth + cash generation supports the thesis**

Normal world: we want healthy growth, strong free cash flow, reasonable valuation, and non-escalating risk headlines.

## **Scenarios (Bear / Base / Bull)**

### **BEAR — support 89.5%**

Bear case: things go wrong (growth slows, costs rise, risks escalate). If the thesis holds here, it's more resilient.

Claims checklist:

- PASS — Free cash flow is still positive even if conditions worsen | latest\_free\_cash\_flow | Actual: \$9.76B
- PASS — Revenue growth does not collapse | latest\_revenue\_yoy\_pct | Actual: 18.3%
- PASS — Cash conversion stays above a minimum floor | latest\_fcf\_margin\_pct | Actual: 18.8%
- PASS — Stock is cheap enough to compensate for risks (higher required cash yield) | fcf\_yield\_pct | Actual: 6.5%
- FAIL — News risk is not escalating (quiet headlines) | news\_shock\_30d | Actual: -12.00
- PASS — Insurance risk stays low (if this spikes, it can be structural) | risk\_insurance\_neg\_30d | Actual: 2.00
- PASS — Regulatory risk stays low | risk\_regulatory\_neg\_30d | Actual: 1.00
- PASS — Labor risk stays low | risk\_labor\_neg\_30d | Actual: 0.00

- PASS — Debt burden is manageable (net debt <= ~2.5 years of free cash flow) | latest\_net\_debt\_to\_fcf | Actual: 0.59

## **BASE — support 100.0%**

Base case: the most likely world (the company continues roughly as it is today). This is the main thesis you're betting on.

Claims checklist:

- PASS — Revenue is still growing at a healthy pace | latest\_revenue\_yoy\_pct | Actual: 18.3%
- PASS — Free cash flow is positive (business generates real cash) | latest\_free\_cash\_flow | Actual: \$9.76B
- PASS — Free cash flow margin is solid (company converts sales into cash) | latest\_fcf\_margin\_pct | Actual: 18.8%
- PASS — Valuation is not expensive versus cash (FCF yield is decent) | fcf\_yield\_pct | Actual: 6.5%
- PASS — Recent news shock is not severe (not a headline crisis) | news\_shock\_30d | Actual: -12.00
- PASS — Insurance risk is not spiking recently | risk\_insurance\_neg\_30d | Actual: 2.00
- PASS — Regulatory risk is not spiking recently | risk\_regulatory\_neg\_30d | Actual: 1.00
- PASS — Labor risk is not spiking recently | risk\_labor\_neg\_30d | Actual: 0.00
- PASS — Debt burden is manageable (net debt <= ~3.0 years of free cash flow) | latest\_net\_debt\_to\_fcf | Actual: 0.59

## **BULL — support 100.0%**

Bull case: things go right (strong execution + contained risks). If the thesis holds here, there may be meaningful upside.

Claims checklist:

- PASS — Revenue growth stays strong (upside scenario) | latest\_revenue\_yoy\_pct | Actual: 18.3%
- PASS — Free cash flow stays positive | latest\_free\_cash\_flow | Actual: \$9.76B
- PASS — Cash conversion stays excellent (high FCF margin) | latest\_fcf\_margin\_pct | Actual: 18.8%

- PASS — Valuation stays reasonable even if investors get more optimistic | fcf\_yield\_pct | Actual: 6.5%
- PASS — News risk is not a major crisis even in a noisy world | news\_shock\_30d | Actual: -12.00
- PASS — Insurance risk stays manageable | risk\_insurance\_neg\_30d | Actual: 2.00
- PASS — Debt burden is manageable (net debt <= ~4.0 years of free cash flow) | latest\_net\_debt\_to\_fcf | Actual: 0.59

## Plain-English explanations

## Plain-English explanations (for beginners)

### Revenue growth (year over year)

\*\*Actual:\*\* 18.3%

\*\*What it is:\*\* How much sales grew compared to last year.

\*\*Why it matters:\*\* Growing sales usually means demand is increasing and the company is scaling.

\*\*How to judge it:\*\* Rule of thumb: <5% slow, 5–10% okay, 10%+ healthy, 20%+ very strong.

### Free Cash Flow (FCF)

\*\*Actual:\*\* \$9.76B

\*\*What it is:\*\* Real cash left after paying operating costs AND necessary investments (capex).

\*\*Why it matters:\*\* Positive FCF means the company funds itself (less need for debt or dilution).

\*\*How to judge it:\*\* Rule of thumb: negative for long periods is risky; positive and rising is strong.

### FCF margin

\*\*Actual:\*\* 18.8%

**\*\*What it is:\*\*** How much of revenue turns into free cash (as a percent).

**\*\*Why it matters:\*\*** Shows efficiency: high margin means sales turn into real money.

**\*\*How to judge it:\*\*** Rule of thumb: <5% weak, 5–10% okay, 10–15% good, 15%+ excellent.

### ### FCF yield (valuation vs cash)

**\*\*Actual:\*\*** 6.5%

**\*\*What it is:\*\*** Free cash flow divided by market value. Think: 'cash return' if cash stayed stable.

**\*\*Why it matters:\*\*** Higher yield usually means the stock is cheaper relative to its cash generation.

**\*\*How to judge it:\*\*** Rule of thumb: <2% expensive, 2–4% fair, 4–6% attractive, 6%+ cheap.

### ### News shock (last 30 days)

**\*\*Actual:\*\*** -12.00

**\*\*What it is:\*\*** A warning-light score that gets worse when negative news spikes recently.

**\*\*Why it matters:\*\*** Helps detect if risks are getting louder (lawsuits, regulation, safety, insurance issues).

**\*\*How to judge it:\*\*** Closer to 0 is better; more negative is worse. Use as a signal, not absolute truth.

### ### Insurance risk (negative items in last 30 days)

**\*\*Actual:\*\*** 2.00

**\*\*What it is:\*\*** How many recent negative items were tagged as INSURANCE.

**\*\*Why it matters:\*\*** Repeated negatives in the same theme can be a real risk, not just random noise.

**\*\*How to judge it:\*\*** Rule of thumb: 0–3 is usually manageable; repeated spikes deserve deep reading.

### ### Regulatory risk (negative items in last 30 days)

**\*\*Actual:\*\*** 1.00

**\*\*What it is:\*\*** How many recent negative items were tagged as REGULATORY.

**\*\*Why it matters:\*\*** Repeated negatives in the same theme can be a real risk, not just random noise.

**\*\*How to judge it:\*\*** Rule of thumb: 0–3 is usually manageable; repeated spikes deserve deep reading.

### Labor risk (negative items in last 30 days)

**\*\*Actual:\*\*** 0.00

**\*\*What it is:\*\*** How many recent negative items were tagged as LABOR.

**\*\*Why it matters:\*\*** Repeated negatives in the same theme can be a real risk, not just random noise.

**\*\*How to judge it:\*\*** Rule of thumb: 0–3 is usually manageable; repeated spikes deserve deep reading.

### Net debt to FCF (years to pay off debt with cash)

**\*\*Actual:\*\*** 0.59

**\*\*What it is:\*\*** Roughly: how many years of current free cash flow would pay off net debt.

**\*\*Why it matters:\*\*** This is an intuitive risk gauge: fewer years = easier to handle debt.

**\*\*How to judge it:\*\*** Rule of thumb: <2 low risk, 2–4 okay, 4+ watch carefully (depends on stability).

### Safety risk (negative items in last 30 days)

**\*\*Actual:\*\*** 2.00

**\*\*What it is:\*\*** How many recent negative items were tagged as SAFETY.

**\*\*Why it matters:\*\*** Repeated negatives in the same theme can be a real risk, not just random noise.

**\*\*How to judge it:\*\*** Rule of thumb: 0–3 is usually manageable; repeated spikes deserve deep reading.

### Total risk (negative items in last 30 days)

\*\*Actual:\*\* 5.00

\*\*What it is:\*\* How many recent negative items were tagged as TOTAL.

\*\*Why it matters:\*\* Repeated negatives in the same theme can be a real risk, not just random noise.

\*\*How to judge it:\*\* Rule of thumb: 0–3 is usually manageable; repeated spikes deserve deep reading.

## Next steps

## Next steps (idiot-proof checklist)

- 1) Read the Base case. If Base support is high, the thesis is supported today.
- 2) Check the Bear case. If Bear support is decent, the thesis survives stress.
- 3) Check the Bull case. If Bull support is high too, there may be upside.
- 4) If confidence is low (single-source news), click-verify the worst headlines first.
- 5) Re-run weekly or monthly to monitor changes.