

# Landmark moment as Uber unveils first annual profit as limited company

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Uber has reported its first ever annual operating profit as a limited company, in a landmark moment for a business that spent billions of dollars of investors' money in an aggressive and often controversial expansion around the world. The US taxi app company said it made \$1.1bn (£870m) in 2023, compared with a loss of \$1.8bn the year before. The milestone has prompted investors to speculate over whether Uber will buy back shares or even pay out a dividend to investors. Prashanth Mahendra-Rajah, Uber's chief financial officer, said the company would share "capital allocation plans" with investors next week. Uber's share price rose by 1% on Wednesday after initially dipping. Its stock is up by more than a fifth over the course of 2024 and has doubled in the last 12 months, valuing the company at nearly \$150bn. It said customers booked 2.6bn trips during the last three months of 2023, or about 28m a day. Dara Khosrowshahi, Uber's chief executive, said: "2023 was an inflection point for Uber, proving that we can continue to generate strong, profitable growth at scale. Our audiences are larger and more engaged than ever, with our platform powering an average of nearly 26m daily trips last year." Uber was founded in 2009 by the entrepreneurs Garrett Camp and Travis Kalanick. Kalanick became chief executive in 2010 and went on to oversee an expansion during which the app rapidly spread across the US, followed by Europe and many cities elsewhere around the world. That growth was made possible by Uber's embrace of the gig economy, in which its drivers in many countries were counted as self-employed and were not entitled to rights such as sick pay or paid holiday. Kalanick's time as CEO was characterised by a series of scandals and fights with regulators. In 2022, a leak reported by the Guardian showed how Uber had broken laws, duped police and secretly lobbied governments as it rolled out its services. Kalanick was replaced in 2017 by Khosrowshahi, a former chief executive of the travel agent Expedia, who has sought to soften the company's image and focus more on meeting regulators' requirements. Dan Ives, an analyst at the investment bank Wedbush, said Khosrowshahi had led "one of the best turnarounds ever in the tech world" and Uber was "not slowing down". Uber had consistently made deep operating losses since floating its shares on the New York Stock Exchange in May 2019. Losses rose from \$3bn in 2018 to \$8.6bn in 2019 before dropping to \$4.9bn in 2020, \$3.8bn in 2021 and then \$1.8bn in 2022. It made a profit in 2023 thanks in part to growing demand. Gross bookings – the total paid by Uber passengers and delivery customers – rose 22% to \$37.6bn in the final quarter of 2023 compared with a year earlier. Uber's cut from those transactions was \$9.9bn.