

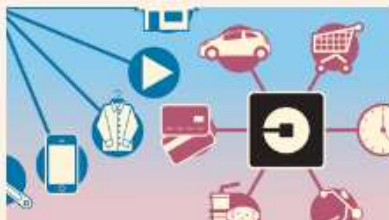
Uber's difficulty in getting to profitability may be less about ride-hailing and more about its four other divisions, which all made losses last quarter and reflected how its expansion beyond mobility is a long-term play that could test investors' patience.

Uber Eats, its second-largest division, accounting for 17 per cent of revenue, recorded revenue growth of 64 per cent to \$645m, but it produced an adjusted Ebitda loss of \$316m — 67 per cent greater than a year ago.

Executives declined to say whether Eats would be profitable by 2021, but they called it a scale business where Uber should have an advantage against local rivals through partnerships and big investments in technology.

"We think the power of the platform, the Uber brand, [and] our ability for the Rides business and the Eats business to work together to acquire customers, and to retain customers, will just be an advantage over the other competitors out there," Mr Khosrowshahi said.

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Uber's foray into meal delivery has already been a disaster for Grubhub, once the market leader in the US, whose own profit outlook has been upended by the competition. Last week Grubhub's stock fell by two-fifths after its executives complained about customers' "promiscuous" behaviour, even as its own revenues had gone up 30 per cent from a year ago.

Quelle: Financial Times / 5.11.2019

