UBER, LYFT Deep Dive: Updated AV Market Model and Share Shifts

September 4, 2025

The Wolfe Byte

Deep dive analysis on AV industry model + pricing trends + market share + TSLA's impact on UBER/LYFT (a big swing factor). Waymo is gaining traction (Austin utilization is improving), Uber's share seems more resilient than Lyft's, & val is attractive. Reit OP UBER, PP Lyft.

Post this analysis, we are reiterating our OP rating for UBER - i) highly reasonable valuation (16.5x '26 P/FCF), **ii)** durable FCF over the MT, **iii)** reasonably resilient offerings into a more uncertain demand environment in H2, **iv)** success in Austin with Waymo (we estimate Austin-Waymo utilization at ~30% above SF) to drive more Waymo partnerships in the MT (if not in the NT), and **v)** healthy trips growth on price moderation. **For context,** in our mid-June AV Deep Dive ([here](#)), post UBER's 40% outperformance vs. S&P500, we removed it as a top pick, and maintained our OP rating, as we thought the dislocation in valuation and fundamentals had largely compressed. **For LYFT,** while the recent **CA ruling change** could be a more meaningful positive for LYFT (than UBER), we are maintaining our PP rating - we'd need to see acceleration in rides growth (organically) to be incrementally more constructive.

What will you find in this report?

I. Waymo's market share updates: We estimate Waymo's market share in **SF + LA is now at ~7% (up from 5.7% in March). We also estimate that Waymo's SF share within the operating zone is now at 22%, within ~100bps of Lyft's #2 category position**. **For all of LA, we estimate Waymo's market share is now >3%.** In SF, our data suggests that share shift is almost equally attributable to Uber and Lyft - our speculation is that "ride tourism" has an outsized impact on Uber given national category share. For utilization, we estimate that Q2 Waymo rides improved modestly to ~21-22 daily trips (vs. 20 before).

II. AV inudstry model and impact on UBER and LYFT: In our updated model we estimate the following: **a) Market share:** Uber, Lyft, and AV (Waymo O&O & partnership + Tesla) U.S. market share ests (Exhibit 9); **b) Impact on UBER/ LYFT EBITDA over LT:** Assuming a hybrid model (O&O & AV partnerships with UBER/LYFT) suggest modest EBITDA headwinds in the LT assuming a 15% aggregator take rate, insurance cost savings, offset by servicing costs. That said, it remains unclear what monetization models will unfold over time. We quantify Tesla's impact on AV deployment - a meaningful swing factor for UBER/LYFT profitability. We remain skeptical on TSLA's ability to scale production quickly.

III. Utilization and Pricing trends in Waymo market: Austin-Waymo per car utilization at **~28 trips/day** vs. SF's 21-22 (Exhibit 4). Pricing trends moderated more for Lyft than Uber in Q2, and we expect further moderation at both platforms in Q3 (Exhibit 12).

COMPANY	TICKER	RATING	PT	% UPSIDE
Lyft Inc.	LYFT	PP	NA	
Uber Technologies	UBER	OP	$115	23.7%

Source: Wolfe Research
OP=Outperform, PP=Peer Perform, UP=Underperform, NR=Not Rated

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COMPANY	TICKER	RATING	PT	% UPSIDE

Priced as of 09/03/25

Investment Conclusion

UBER: Our Outperform rating is based on our view that Uber maintains a solid competitive moat and delivers healthy fundamental trends as the company benefits from stable demand trends for its core products while unlocking growth opportunities with new categories, products, verticals, and geographic markets. All this, while improving profitability and buying back shares. YTD shares remain one of the best performers within our coverage, +54% vs. SPX's +10% and we continue to favor shares on solid fundamentals (trips growing HTs%) and compelling valuation.

UBER Valuation: Our PT of $115 is derived by P/FCF of 20x on FY26E, inline with gig/OTA complex leaders which we view as reasonable given UBER's category leadership, strong membership flywheel, and healthy FCF conversion. For context, UBER shares are currently trading at 16.5x FY26 P/FCF and 20.3x FY26 P/E vs. the stock's 5-year historical median of 50.2x.

Exhibit 1 - UBER Valuation Framework

	BEAR	BASE	BULL
EV/FCF	**2026E**	**2026E**	**2026E**
Free Cash Flow	$10,078	$12,455	$13,710
2023 - 2026 CAGR	*20.9%*	*34.4%*	*41.0%*
FCF multiple current (2025E)		21.9x	
FCF multiple current	20.4x	16.5x	15.0x
Target Multiple	**15.0x**	**20.0x**	**25.0x**
Enterprise Value	**$151,174**	**$249,091**	**$342,753**
Plus: Cash and Cash Equivalents	$7,629	$7,629	$7,629
Less: Debt	$9,578	$9,578	$9,578
Equity Market Capitalization	$149,225	$247,142	$340,804
Share Count	2,187	2,187	2,187
Implied Consolidated Stock Price	**$68**	**$115**	**$150**
Rounded Price Target	**$68**	**$115**	**$150**
Upside	*-27%*	*24%*	*61%*

Source: Wolfe Research, FactSet
Upside as of the market close on 9/3/25

LYFT: While LYFT faces a very large TAM in ride-share and mobility market, we believe the competitive landscape is becoming more intense with AVs being introduced to roads. While we are optimistic on the company's recent product launches and innovations including Women+ Connect, 70% earnings commitment, and Lyft Media, we are not convinced on their sustainable moat and will wait to see if rides growth can accelerate further to sustain (or gain) market share.

LYFT Valuation: Our FV range of $10-$21 is derived by EV/EBITDA multiples ranging 5x-9x on FY26E, a discount to the comp group average of 14x. For context, LYFT shares are currently trading at 8.9x FY26E EBITDA vs. the stock's 5- year historical median of 10.7x.

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Page 2 of 20

Exhibit 2 - LYFT Valuation Methodology

	BEAR	BASE	BULL
EV to EBITDA	**2026E**	**2026E**	**2026E**
Revenue	$6,711	$7,219	$7,770
EBITDA ($M)	**$497**	**$664**	**$793**
2023 - 2026 CAGR	14.0%	31.8%	44.0%
Current EV/EBITDA Multiple (2025E)		11.3x	
Current EV/EBITDA Multiple	11.9x	8.9x	7.4x
Target Multiple	**5.0x**	**7.0x**	**9.0x**
Enterprise Value	2,483	4,649	7,133
Plus: Cash	1,882	1,792	1,882
Less: Debt	527	527	527
Equity Market Capitalization	**3,838**	**5,915**	**8,488**
Sharecount (M)	423	423	423
Rounded Implied Fair Value	**$10**	**$14**	**$21**
Rounded Implied Fair Value Range	**$10**	**$14**	**$21**
Upside	*-41%*	*-17%*	*24%*

Source: Wolfe Research, FactSet, Company Filings
Upside priced as of after market close on 9/3/2025

Section I: Waymo's Market Share + Uber/Lyft AV Partnerships

Since our last AV update published in mid-June ([here](#)), a large chunk of incremental AV developments for the rideshare networks has been centered on international partnerships. Most notably, both Uber and Lyft signed independent deals with Baidu to deploy its Apollo Go vehicles, with Uber's focus on Asia and the Middle East starting in late 2025. Also of note, Uber made equity investments in both Nuro and Lucid to deploy 20K cars to Uber's network over the next 6 years. Uber will not be funding the entire 20K car fleet but will likely invest in a subset of those cars and the 20K car fleet will likely help accelerate the process to bring more supply to the road.

The below exhibit continues to show that UBER is more aggressive than Lyft in partnering with AV companies – UBER has publicly announced partnerships with at least a dozen partners vs. Lyft's six.

Exhibit 3: Rideshare Partnerships with Leading OEMs

Date	Markets	Partner	Rideshare Partner	Partnership Details
8/16/2022	Las Vegas, NV	Motional	LYFT	Launching service in 2023 and scaling to multiple markets.
5/23/2023	PHX, AZ	Waymo	UBER	UBER & Waymo to bring autonomous rides to Phoenix, with rides also available via Waymo One app in market (multi-year agreement).
5/7/2024		Motional	UBER/LYFT	Motional pausing development of robotaxi developments.
8/22/2024		Cruise	UBER	Multi-year partnership with rides starting next year.
8/29/2024	Multiple	Wayve	UBER	Wayve rides on Uber network in multiple markets around the world - rides will be Level 4 on Uber network.
9/25/2024	Multiple - starting with UAE	WeRide	UBER	Plans to launch autonomous **rides starting with UAE late in '24**; fulfillment via the Uber app. Partnership excludes rides in US & China.
10/3/2024	Dallas, TX	Avride	UBER	Delviery & Mobility partnership and starting with Mobility **rides in Dallas in late '25**.
11/6/2024		Mobileye	LYFT	Lyft partnering with Mobileye to make cars "Lyft Ready" as tech stack integrated to deploy on Lyft's network.
11/6/2024	Atlanta, GA	May Mobility	LYFT	Plans to bring autonomous rides to **Atlanta in Summer 2025**.
12/6/2024	Abu Dhabi	WeRide	UBER	Launching rides in Abu Dhabi (safety driver in car) on the Uber platform with Tawasul Transport as the fleet operator. Plans to **operate driverless rides in '25**.
2/10/2025	Dallas, TX	Mobileye & Marubeni	LYFT	Plans to use Mobileye tech in vehicles as **early as 2026** with plans to scale to thousands of vehicles with Marubeni as the fleet operator.
4/2/2025	Dubai	WeRide	UBER	Expanding robotaxi service to Dubai with goal of making 25% of trips within the city autonomous by 2030; expect more details on launch "within the coming months".
4/24/2025	LA, CA (initial) & multiple cities	Volkswagen	UBER	Volkswagen Buzz ID vehicles to deploy on Uber network with the first rides on **Uber in '26 as the company executes test trips in late '25**.
5/1/2025	Arlington, TX (initial); multiple cities	May Mobility	UBER	Multi-year strategic partnership with goal to deploy thousands of cars on Uber's network. **Initial planned launch in late '25** and will start with safety operators in cars. **Plans to launch to additional US markets in 2026**.
5/2/2025	Int'l markets ex. US & China	Momenta	UBER	First deployment will be in **Europe in early 2026** with safety operators within cars. Uber will function as the demand engine for this partnership.
5/5/2025	Addt'l 15 cities incl. Europe	WeRide	UBER	WeRide and Uber announcing expanded partnership to additional **15 cities over the next 5 years** including those in Europe. Pacing will be several new cities per year and Uber will be the fleet partner in these markets.
5/6/2025	Middle East	PONY AI	UBER	Partnership to deploy PonyAI cars on Uber's network with the first launchin the **Middle East later this year (2025)** with plans to expand to additional markets. Vehicles will have safety operators onboard until fully autonomous commerical launch.
6/10/2025	London, UK	Wayve	UBER	Launch L4 rides in London with plans to launch to other markets in Europe.
7/15/2025	Multiple cities ex. US & China	BIDU (Apollo)	UBER	Multi-year agreement to deploy Apollo Go vehicles on Uber's network. **First deployments will be in Asia and the Middle East later in 2025**. Apollo Go vehicles currently operate within Abu Dhabi and Dubai .
7/17/2025	US	Lucid & Nuro	UBER	Launching later in 2026, with intentions for Uber to **deploy 20K Lucid cars within the next 6 years leveraging Nuro Driver**. The vehicles will be owned and operated by Uber and its 3P fleet partners. As part of the deal, Uber is investing $300MM in Lucid and "significantly more" in Nuro.
8/4/2025	Europe (UK & Germany)	BIDU (Apollo)	LYFT	Deploy **autonomous rides to the network in the UK & Germany starting in 2026** pending regulatory approval. LYFT will be the fleet manager for the local operations.

Source: Wolfe Research, Company filings

In August, we received Q2 Waymo California deployment records. **The headline takeaway is that June autonomous trips were down 33% M/M relative to May, but we estimate the notable decline is largely a result of the ICE raids in June that caused service disruptions.** We summarize our key findings from the data along with provide a summary table below:

Exhibit 4: CPUC Waymo Autonomous Rides Data

Date	Rides Volume	SF Volume	Bay Area Volume	LA Volume	Weekly Rides Pace	Y/Y % Growth	Idle Miles	Passenger Pickup Miles	Passenger Trip Miles	Y/Y % Growth	Passenger Miles/Trip	Passengers	Passengers Per Trip	Passenger Pickup Miles/Trip	Calc'd Utilization
Dec-22	2,125				531		128,625	3,217	6,042		2.84	2,741	1.3	1.5	
Jan-23	1,995				499		100,322	3,290	5,539		2.78	2,556	1.3	1.6	
Feb-23	1,356				339		84,788	2,283	3,711		2.74	1,775	1.3	1.7	
Mar-23	960				240		69,521	1,595	2,679		2.79	1,176	1.2	1.7	
Apr-23	1,267				317		95,904	1,957	3,607		2.85	1,546	1.2	1.5	
May-23	1,154				289		117,660	1,718	2,915		2.53	1,423	1.2	1.5	
Jun-23															
Jul-23															
Aug-23	12,617	12,617		-	3,154		45,925	18,500	36,889		2.92	19,744	1.6	1.5	
Sep-23	38,473	38,473			9,618		96,091	45,140	105,602		2.74	53,957	1.4	1.2	
Oct-23	56,499	56,499			14,125		100,880	67,430	155,163		2.75	74,847	1.3	1.2	
Nov-23	56,905	56,905			14,226		123,754	63,777	152,649		2.68	74,789	1.3	1.1	
Dec-23	72,595	72,595			18,149		130,596	81,280	196,684		2.71	99,400	1.4	1.1	
Jan-24	77,242	77,242			19,311		137,021	82,922	206,865		2.68	98,240	1.3	1.1	
Feb-24	74,233	74,233			18,558		118,307	87,048	205,952		2.77	94,672	1.3	1.2	16.6
Mar-24	83,851	83,851			20,963		126,612	92,333	231,153		2.76	110,023	1.3	1.1	
Apr-24	92,002	90,247		1,755	23,001		222,551	92,777	257,844		2.80	119,093	1.3	1.0	
May-24	143,621	133,164		10,454	35,905		366,977	136,531	399,951		2.78	204,391	1.4	1.0	14.5
Jun-24	188,847	171,946		10,500	47,212		424,531	169,059	523,810		2.77	291,644	1.5	0.9	
Jul-24	250,752	228,067	5	22,680	62,688		546,915	206,039	686,511		2.74	406,590	1.6	0.8	
Aug-24	312,245	273,466	1,187	37,592	78,061	2374.8%	658,598	272,304	897,939	2334.2%	2.88	499,170	1.6	0.9	21.0
Sep-24	354,124	300,216	1,537	52,371	88,531	820.1%	703,066	313,213	1,049,453	893.8%	2.96	536,341	1.5	0.9	
Oct-24	453,478	366,937	2,095	84,446	113,370	702.6%	837,887	372,677	1,354,905	773.2%	2.99	670,919	1.5	0.8	
Nov-24	503,634	387,539	2,458	113,637	125,909	785.0%	1,163,940	400,757	1,503,880	885.2%	2.99	746,677	1.5	0.8	24.1
Dec-24	541,378	400,731	2,773	137,874	125,902	593.7%	1,261,101	428,312	1,636,161	731.9%	3.02	814,602	1.5	0.8	23.9
Jan-25	550,457	395,828	2,967	151,661	128,013	562.9%	1,430,498	416,490	1,634,710	690.2%	2.97	783,182	1.4	0.8	
Feb-25	559,569	395,900	2,908	160,761	139,892	653.8%	1,326,808	418,559	1,740,555	745.1%	3.11	779,358	1.4	0.7	
Mar-25	708,180	491,828	3,344	213,008	164,693	685.6%	1,466,873	541,716	2,257,393	876.6%	3.19	1,023,028	1.4	0.8	21.0
Apr-25	776,058	516,435	4,013	255,610	180,479		1,625,253	614,311	2,544,921	887.0%	3.28	1,118,391	1.4	0.8	
May-25	875,592	569,357	4,615	301,620	203,626		1,639,516	727,849	2,968,761	642.3%	3.39	1,260,448	1.4	0.8	21.7
Jun-25	583,262	397,445	4,845	180,972	135,642		1,002,306	542,180	2,022,646	286.1%	3.47	828,029	1.4	0.9	

Note: Market level rides data are Wolfe Research assumptions starting January 2025
Source: Wolfe Research, California Public Utilities Commission

Waymo – Key Points:

1. **Q2 Total Quarterly Volumes** in CA increased to 2.2MM, up 23% Q/Q, compared to 1.8MM in Q1. **We think the large decel in June volumes, -33% M/M vs. May is largely attributed to service impacts from ICE protests**. Using May as a proxy for normalized operating performance, it suggests that Waymo is pacing to ~203K Paid Weekly Rides in California, up from March's ~165K. We estimate that Waymo's market share within SF + LA is now 7% of the total combined market (5% on June numbers).

2. **Waymo's Normalized Utilization:** Leveraging May as the normalized run-rate, **our estimates would imply that vehicle utilization improved modestly in Q2**.
   a. **Waymo Total Fleet Count** increased to **2K** as of the end of the June, up from **1.5K** in Waymo's early May press release. Its notable that the 2K disclosure includes those vehicles that may be used for mapping programs and not providing rideshare rides.
   b. **Fleet by City Allocation: Within the 2K fleet, ~1.3K** are operating in San Francsico & Greater Bay Area (800 cars) and Los Angeles (500) – which implies that LA's fleet size increased ~175 cars between Q1 & Q2 with modest growth in SF & the Greater Bay Area. The CPUC interview also noted that **400 Waymo cars** are operating within Phoenix with the residual portion of the fleet earmarked for Austin, Atlanta, and the company's mapping program. We estimate ~10 cars/mapping city with the total mapping city program around 13 cities. All in, our estimates suggest that **Austin's fleet has grown to ~134** vehicles vs. the 100 disclosed on Uber's Q1 earnings call in early May.

3. **Passenger Miles/Trip** increased 10% Q/Q reflecting the increased operating zones within both SF & LA – June exited at 3.5 passenger miles/trip which was modestly above the total quarterly increase. Waymo's large service area expansion within CA happened on 6/17 which implies that passenger miles/trip likely exited above the June total rate of 3.5 miles/trip.

Market share trends in the Bay Area: We have broken out share within SF proper (Waymo's current operating zone – Exhibit 5) and the greater Bay Area to estimate when Waymo may cross the 15-20% share threshold. At that level of market share, we think that it can trigger competitive responses from rideshare companies.

*   **San Francisco Operating Zone:** As it currently stands, we estimate that Waymo has 22% market share within the San Francsico operating zone, ~100bps below our estimate for Lyft share (23%) with Uber share declining to 54.8% (-11.4-pts relative to December 2023).
*   **Out of the greater Bay Area (SF + San Jose + Oakland),** we estimate that Waymo market share is 9.4%, up >6-pts Y/Y as Lyft and Uber's share have compressed at similar rates of ~400bps since December 2023.
*   **In LA,** we forecast Waymo share is now >3%, up ~80bps Q/Q.

Exhibit 5: San Francisco Operating Zone Market Share Estimate
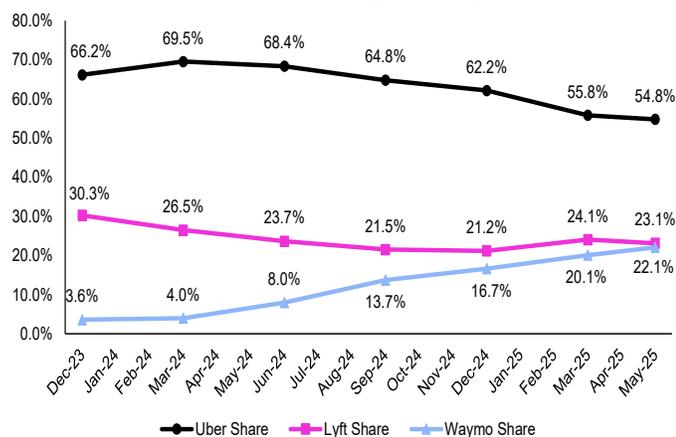
Source: Wolfe Research, CPUC

Exhibit 6: LA Market Share Estimate
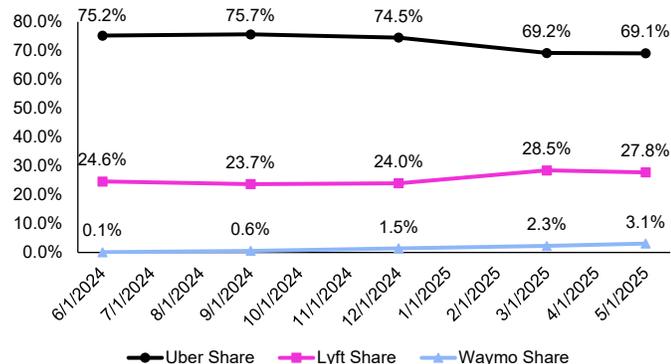
Source: Wolfe Research, CPUC

Section II: U.S. AV Industry Market Model

We are revising our domestic market model for our incremental learnings on partnership assumptions and Q2 earnings. The key revisions we are making to our prior market model have been outlined below:

1. **Moving Dallas to Waymo O&O vs. Prior Partnership Assumption:** On 7/28, Waymo announced its intention to launch autonomous rides in Dallas starting in 2026. The press release outlined Waymo rides will be booked via the Waymo One app, and additionally announced Avis as a multi-city fleet partner, starting with the Dallas launch. We had previously assumed that Dallas would be an Uber and Waymo partner market with a '26 launch given success of Austin. We have now shifted Dallas rides to the Waymo O&O line.

2. **Increase in Tesla Robotaxi Utilization**: Previously, we estimated a lower level of Tesla Robotaxi utilization given the limited initial launch in June (~1 ride/day). On Tesla's Q2 earnings call, the company noted the service had completed ~7K miles as of the EPS call (~30 operating days since launch). We assume with the larger ring-fenced operating zones that average miles/trip has expanded to ~5-6. We estimate the current fleet of 10 Tesla Robotaxis are completing **2-4** daily rides.

Exhibit 7: Tesla Robotaxi Daily Rides Estimate

Robotaxi Trips	Low	High
Total Miles	7,000	7,000
% w/Passenger	65.0%	80.0%
Miles/Trip	6.0	5.0
Fleet #	10.0	10.0
Operating Days	30.0	30.0
Daily Trips	**2.5**	**3.7**

Source: Wolfe Research, Company filings

Our unit economics assumptions are largely unchanged as we expect potential pricing compression once AV scale reaches a sufficient level of density.

Exhibit 8: Per Trip Economics

Per Trip Economics: O&O Model	AV Current	AV Current		Rideshare Current	Rideshare Terminal
Bookings/Revenue	Per Mile	$26.00	Bookings	$20.00	$17.75
Hardware Cost/Trip	$0.30	$1.21	Driver Payout	$15.00	$13.31
Insurance Cost/Trip	$0.96	$3.94	Insurance/Trip	$0.96	$0.96
Cost to Serve/Trip	$0.44	$1.82	Cost to Serve/Trip	$1.00	$1.00
Cost of Revenue/Trip	**$1.70**	**$6.97**	**Cost of Revenue/Trip**	**$16.96**	**$15.27**
Gross Profit/Trip		**$19.03**	**Gross Profit/Trip**	**$3.04**	**$2.48**

Source: Wolfe Research, Company filings

Zooming in to our market level model, we have reflected the above changes, and we present our analysis for a hybrid demand market. We recognize that there are a number of permutations for the end market but lay out the relevant ramifications for both Uber & Lyft under this framework in Exhibits 10 & 11.

In our hybrid scenario (Exhibit 10), we assume Uber partners with a number of the 13 announced Waymo mapping cities and Tesla reaches ~110K fleet & personal vehicles and takes M/HSD% share. Here, we could see some EBITDA pressure for ride sharing in the outer years.

Exhibit 9: Revised Domestic AV Market Model

U.S. Rideshare Market Analysis	2024	2025E	2026E	2027E	2028E	2029E	2030E
UBER U.S. Mobility Rides (ex. Waymo Partner Rides)	1,459	1,676	1,923	2,199	2,539	2,922	3,415
Y/Y % Growth	15.2%	14.9%	14.7%	14.3%	15.5%	15.1%	16.9%
% Market Share	67.0%	66.9%	66.5%	65.5%	64.7%	63.1%	62.2%
UBER U.S. Mobility Total Rides	**1,460**	**1,679**	**1,931**	**2,211**	**2,557**	**2,947**	**3,447**
Y/Y % Growth	15.2%	15.0%	15.0%	14.5%	15.6%	15.3%	17.0%
% Market Share	67.0%	67.1%	66.8%	65.9%	65.1%	63.6%	62.8%
LYFT U.S. Mobility Rides	**715**	**814**	**926**	**1,057**	**1,197**	**1,367**	**1,565**
Y/Y % Growth	13.9%	13.8%	13.7%	14.2%	13.3%	14.1%	14.5%
% Market Share	32.8%	32.5%	32.0%	31.5%	30.5%	29.5%	28.5%
Waymo O&O Market Build:							
PHX Rides	**0.2**	**0.5**	**0.8**	**1.3**	**1.8**	**2.4**	**2.8**
Y/Y % Growth	146.6%	100.0%	80.0%	60.0%	40.0%	30.0%	20.0%
California Rides	**3.1**	**10.3**	**23.2**	**46.4**	**81.1**	**123.7**	**167.0**
Y/Y % Growth	1161.3%	235.0%	125.0%	100.0%	75.0%	52.5%	35.0%
California Rides Market Est (UBER + LYFT)	202	228	255	283	312	340	367
Y/Y % Growth	14.0%	12.5%	12.0%	11.0%	10.0%	9.0%	8.0%
Waymo Relative Market Share %	1.5%	4.3%	8.3%	14.1%	20.7%	26.7%	31.3%
Total CA Market	**205.6**	**238.1**	**278.3**	**329.6**	**392.7**	**463.3**	**533.8**
Y/Y % Growth	15.6%	15.8%	16.9%	18.4%	19.1%	18.0%	15.2%
Addt'l Markets (Mapping Cities)			**3.3**	**7.3**	**12.4**	**19.6**	**29.4**
Rides Market Size (Miami, Vegas, Nashville, D.C., Boston, Dallas)		96.0	110.4	145.3	165.3	186.8	209.7
Y/Y % Growth			15.0%	14.5%	13.8%	13.0%	12.3%
% Waymo Share			3.0%	5.0%	7.5%	10.5%	14.0%
Waymo O&O Rides	**3.3**	**10.8**	**27.3**	**54.9**	**95.3**	**145.7**	**199.2**
Y/Y % Growth	885.0%	225.8%	153.9%	101.2%	73.6%	52.8%	36.7%
Waymo Partner Market Build:							
PHX Rides	**1.0**	**1.8**	**3.0**	**4.5**	**6.1**	**7.8**	**9.4**
Y/Y % Growth		80.0%	65.0%	50.0%	37.5%	27.5%	20.0%
PHX Market Size	**42.6**	**48.9**	**55.8**	**63.0**	**70.6**	**78.4**	**86.2**
Y/Y % Growth	15.0%	15.0%	14.0%	13.0%	12.0%	11.0%	10.0%
% Waymo Share	2.9%	4.6%	6.8%	9.1%	11.2%	13.0%	14.2%
Texas Rides		**1.2**	**4.3**	**6.5**	**9.1**	**12.3**	**15.9**
% Waymo Share		4.3%	3.0%	4.0%	5.0%	6.0%	7.0%
TX Market Size (Austin, San Antonio, Houston)		**28.3**	**142.0**	**161.9**	**182.9**	**204.9**	**227.4**
Y/Y % Growth			15.0%	14.0%	13.0%	12.0%	11.0%
Atlanta Rides		**0.4**	**1.0**	**1.8**	**3.0**	**4.6**	**6.7**
% Waymo Share		2.5%	6.0%	9.5%	14.0%	19.0%	25.0%
Atlanta Market		14.5	16.7	19.0	21.5	24.1	26.7
Y/Y % Growth			15.0%	14.0%	13.0%	12.0%	11.0%
Waymo Partner Rides	**1.0**	**3.4**	**8.2**	**12.7**	**18.3**	**24.7**	**32.0**
Y/Y % Growth	173.9%	236.4%	144.7%	54.7%	43.5%	35.0%	29.6%
Total Waymo Rides	**4.3**	**14.1**	**35.5**	**67.7**	**113.6**	**170.4**	**231.2**
Y/Y % Growth	514.3%	228.3%	151.7%	90.4%	67.9%	49.9%	35.7%
% Market Share - Operational Cities		3.3%	5.9%	9.4%	13.6%	17.8%	21.3%
% Market Share - Total U.S. Market	0.2%	0.6%	1.2%	2.0%	2.9%	3.7%	4.2%
Tesla Build:							
Robotaxi Fleet (MMs)		0.0001	0.0027	0.0104	0.0204	0.0428	0.0607
Rides/Day		5.0	6.0	7.0	8.0	9.0	10.0
Fleet Rides		**0.1**	**5.9**	**26.6**	**59.5**	**140.5**	**221.5**
Personal Autonomous Vehicles (MMs)		0.0030	0.0050	0.0080	0.0210	0.0340	0.0500
Rides/Day		0	1.0	1.5	2.0	2.5	3.0
Personal AV Rides	-		**1.8**	**4.4**	**15.3**	**31.0**	**54.8**
Tesla Rides		**0.1**	**7.7**	**31.0**	**74.8**	**171.5**	**276.2**
Y/Y % Growth			*NM*	*302.8%*	*141.3%*	*129.2%*	*61.0%*
% Market Share		0.0%	0.3%	0.9%	1.9%	3.7%	5.0%
Other AV Trips	-	0.0	0.1	0.3	0.5	0.8	1.0
Y/Y % Growth			*NM*	*NM*	100.0%	50.0%	33.3%
% Market Share	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total U.S. Rideshare Trips	**2,178**	**2,504**	**2,892**	**3,355**	**3,925**	**4,631**	**5,488**
Y/Y % Growth	14.9%	15.0%	15.5%	16.0%	17.0%	18.0%	18.5%
Implied U.S. Rideshare Trips (UBER + LYFT)	**2,174**	**2,490**	**2,849**	**3,256**	**3,736**	**4,289**	**4,980**
Y/Y % Growth		14.5%	14.4%	14.3%	14.8%	14.8%	16.1%
% Market Share	99.8%	99.4%	98.5%	97.1%	95.2%	92.6%	90.7%

Source: Wolfe Research, Company filings

Aside from the overall tweaks to our market model, our key changes to the underlying analysis relative to the prior version include **incremental Fleet Servicing Costs.** We have calculated fleet servicing costs on a per ride basis leveraging Lyft's Flexdrive revenue disclosure. Based on feedback from Lyft's management team, the fleet business runs at approximately breakeven on a consolidated basis. We have derived an estimate of $2.50/ride in fleet costs from i) Lyft's disclosure of 10-20K fleet vehicles operating annually; ii) Breakeven EBITDA (revenue=costs) based on our conversation with mgmt.; and iii) assumption that fleet vehicles complete 2 trips/hour operating at 16-hour days.

Exhibit 10: Rideshare U.S. Mobility Impacts – UBER Hybrid Model

UBER Financials Bridge - Hybrid Demand Model	2024	2025E	2026E	2027E	2028E	2029E	2030E
UBER Rideshare Rides	1,459	1,676	1,923	2,199	2,539	2,922	3,415
Bookings/Ride	$20.00	$20.50	$20.91	$20.70	$20.29	$19.68	$18.89
Y/Y % Growth		*2.5%*	*2.0%*	*-1.0%*	*-2.0%*	*-3.0%*	*-4.0%*
Gross Bookings	**$29,172**	**$34,353**	**$40,208**	**$45,515**	**$51,498**	**$57,502**	**$64,517**
Y/Y % Growth		*17.8%*	*17.0%*	*13.2%*	*13.1%*	*11.7%*	*12.2%*
U.S. Rideshare Rides EBITDA	**$2,480**	**$2,989**	**$3,579**	**$4,142**	**$4,789**	**$5,463**	**$6,258**
EBITDA Margin/Ride	8.5%	8.7%	8.9%	9.1%	9.3%	9.5%	9.7%
Partner Rides	**1.0**	**3.4**	**8.2**	**12.7**	**18.3**	**24.7**	**32.0**
Bookings/Ride	$20.00	$20.50	$20.91	$20.70	$20.29	$19.68	$18.89
Y/Y % Growth		*2.5%*	*2.0%*	*-1.0%*	*-2.0%*	*-3.0%*	*-4.0%*
Partner Rides Gross Bookings	**$20**	**$69**	**$172**	**$264**	**$371**	**$485**	**$604**
Y/Y % Growth		*244.8%*	*149.6%*	*53.2%*	*40.7%*	*30.9%*	*24.4%*
% Demand Fee	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
Partner Rides Revenue	**$3**	**$10**	**$26**	**$40**	**$56**	**$73**	**$91**
Costs and Savings							
Insurance Savings	$3	$10	$25	$39	$56	$74	$94
% Insurance Savings (Bookings)	14.0%	14.3%	14.5%	14.8%	15.0%	15.3%	15.5%
Other Servicing Savings	$0	$1	$2	$3	$4	$5	$6
% Other Servicing Savings (Bookings)	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Total Cost Savings (Insurance & Other)	**$3**	**$11**	**$27**	**$42**	**$59**	**$79**	**$100**
Fleet Servicing Costs/Ride	$2.50	$2.50	$2.50	$2.50	$2.50	$2.50	$2.50
AV Servicing Premium	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
Charging Servicing Cost Allocation	$0.4	$0.4	$0.4	$0.4	$0.4	$0.4	$0.4
Fleet Servicing Costs	**$3**	**$11**	**$27**	**$41**	**$59**	**$80**	**$103**
Revenue + Savings - Fleet Servicing Costs	**$3**	**$10**	**$26**	**$40**	**$56**	**$72**	**$87**
% EBITDA Flow-through	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Partner Rides EBITDA	**$3**	**$10**	**$26**	**$40**	**$56**	**$72**	**$87**
U.S. Mobility Lost Trips		1	16	56	79	195	221
U.S. Mobility Bookings Impact		($24)	($341)	($1,169)	($1,607)	($3,836)	($4,175)
U.S. Mobility EBITDA Headwind		**($2)**	**($30)**	**($102)**	**($140)**	**($334)**	**($363)**
Partner Rides EBITDA		**$10**	**$26**	**$40**	**$56**	**$72**	**$87**
Net Impact		**$8**	**($4)**	**($62)**	**($84)**	**($262)**	**($276)**

Source: Wolfe Research, Company filings

For our domestic model, we are modestly revising our EBITDA impact to Lyft, largely on higher Tesla utilization estimates. Net of our changes, we see FY'26/27 EBITDA headwinds of $13MM/$24MM.

Exhibit 11: Rideshare U.S. Mobility Impacts – LYFT

LYFT Financials Bridge:	2024	2025E	2026E	2027E	2028E	2029E	2030E
LYFT Rideshare Rides	**715.3**	**814.0**	**925.7**	**1,057.1**	**1,197.5**	**1,366.7**	**1,564.7**
Bookings/Ride	$19.50	$19.99	$20.39	$20.18	$19.78	$19.19	$18.42
Y/Y % Growth		*2.5%*	*2.0%*	*-1.0%*	*-2.0%*	*-3.0%*	*-4.0%*
Gross Bookings	**$13,947**	**$16,270**	**$18,873**	**$21,335**	**$23,686**	**$26,223**	**$28,820**
Y/Y % Growth		*16.7%*	*16.0%*	*13.0%*	*11.0%*	*10.7%*	*9.9%*
U.S. Mobility Lost Trips		10	19	30	91	123	255
U.S. Mobility Bookings Impact		($194)	($383)	($600)	($1,810)	($2,361)	($4,705)
EBITDA Margin %		3.0%	3.5%	4.0%	4.5%	5.0%	5.5%
U.S. Mobility EBITDA Headwind		**($6)**	**($13)**	**($24)**	**($81)**	**($118)**	**($259)**

Source: Wolfe Research, Company filings

Section III: Rideshare Pricing, Market Share, and Utilization

We now look at pricing trends, changes in ride SKU, utilization, and market share within Austin, Phoenix, and San Francisco for Uber and Lyft below – we largely see this data as directional only, with more limited reliance on absolute numbers.

Pricing:

- Q3 weighted average pricing is tracking down 6% Y/Y for UBER across the three markets, compared to down 3% Y/Y in Q2.
- LYFT pricing tracking -10% Y/Y in Q3, stable vs. Q2. We see this data as a directional vs. absolute indicator.

Exhibit 12: Customer Pricing Trends

Notes: * denotes QTD data
Source: Wolfe Research

Rides Mix %:

- For LYFT, we see ~60bps mix shift away from Standard rides with Comfort -40bps Q/Q, XL +130bps, & Black -60bps the main drivers. With the mix for premium products up modestly we see this as a slight positive for unit economics on better margin profile.
- For UBER, Q3 QTD, we note a modest reversion toward UberX, with X volumes +200bps Q/Q with Comfort -60bps Q/Q and XL +10bps, with Shared rides -60bps. We see the mix from Shared to X as a modest positive.

Exhibit 13: LYFT Rides by SKU
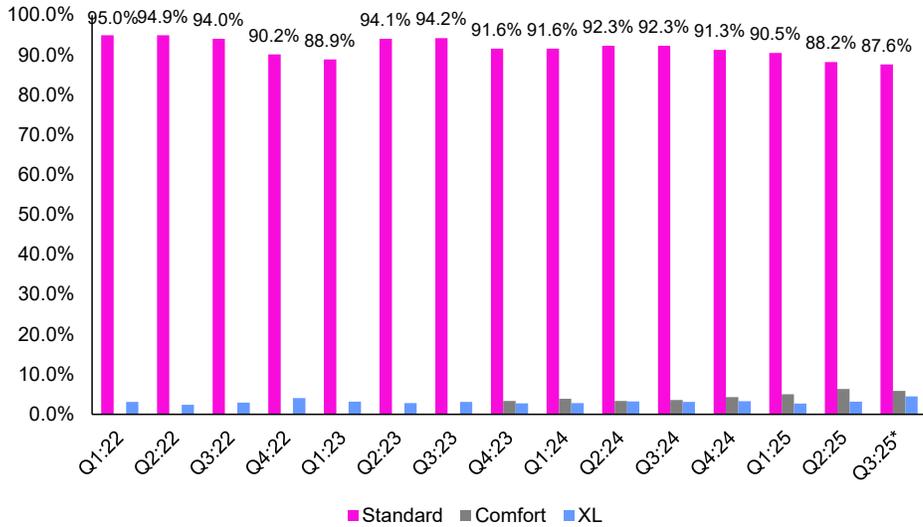
Notes: * denotes QTD data
Source: Wolfe Research

Exhibit 14: UBER Rides by SKU
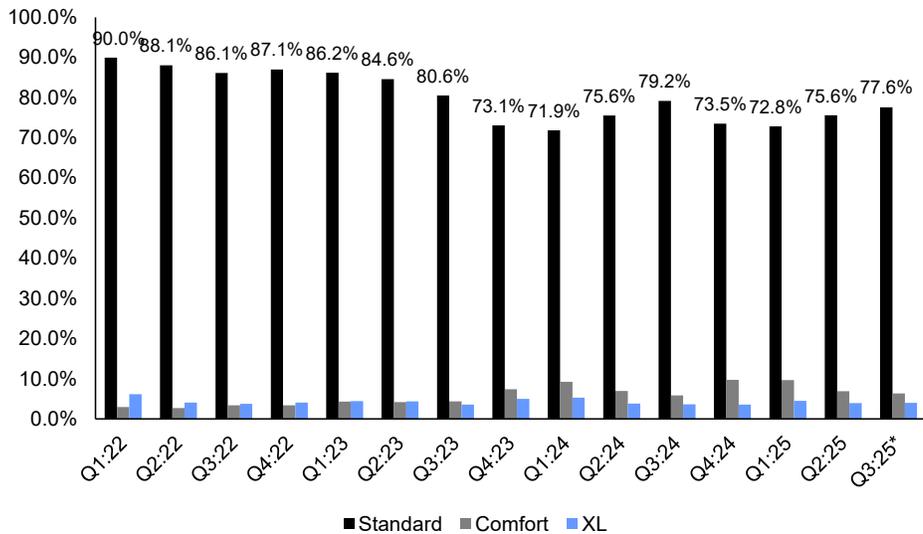
Notes: * denotes QTD data
Source: Wolfe Research

Market Share:

- Our QTD trends indicate mix trends, with Austin sequential share +240bps, whereas Phoenix suggests 260bps of share loss and SF is tracking to -250bps Q/Q.
- We see these trends as largely directional for market share, and place limited reliance on absolute numbers given relatively small underlying sample size.

Exhibit 15: Uber Market Share by City (Austin, PHX, SF) – Relative Market vs. LYFT
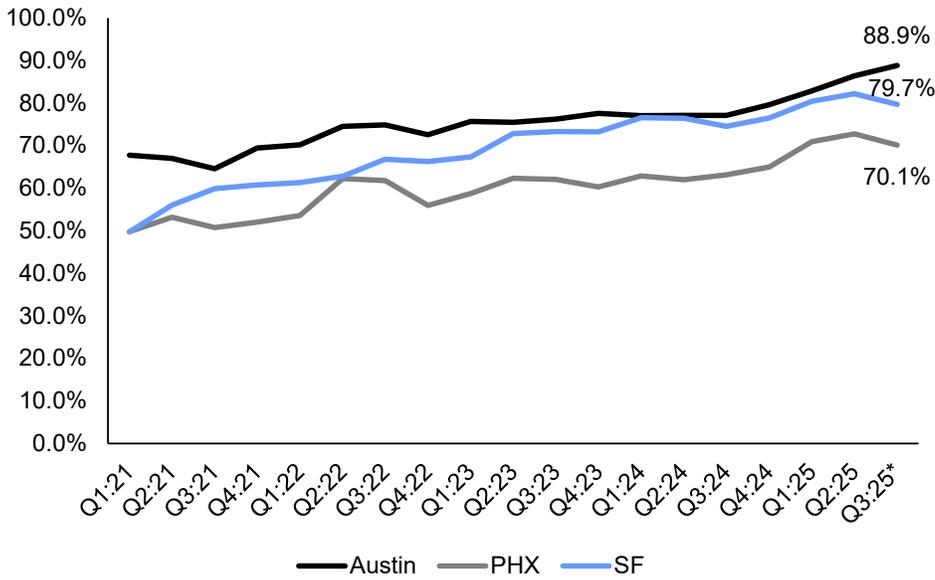
Note: * denotes QTD data
Source: Wolfe Research

Utilization (weekly trips/driver): We see limited impact to Uber rides volumes in Austin with growing impact to Lyft weekly trips: Our data highlights Uber driver weekly trips in Austin tracking +HSDs Y/Y, an improvement compared to approximately flat Y/Y growth in Q2. However, we are seeing paid weekly Lyft trips decelerate further in Q3, tracking down 31% Y/Y compared to Q2's -9% Y/Y. While we see this data as purely directional, we do think it underscores that share losses accrue more meaningfully at the category #2 player within each region as AVs scale, especially when a competitor has a demand partnership.

Exhibit 16: Utilization by Market, LYFT
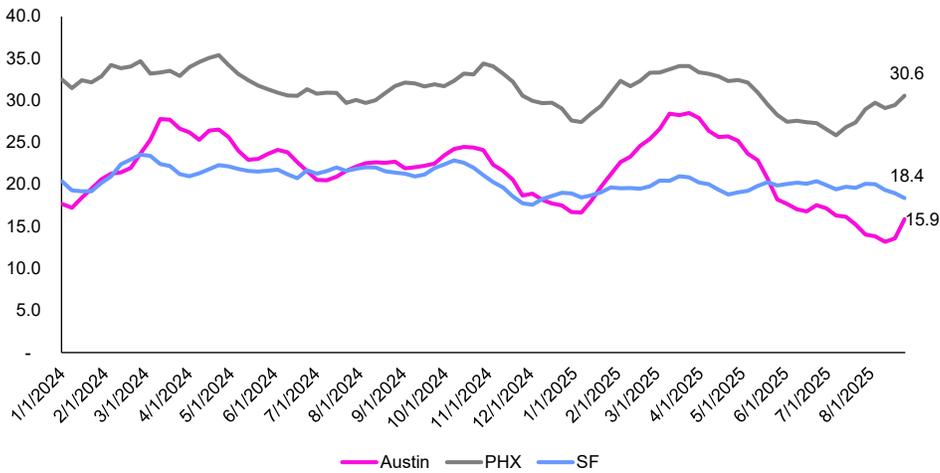
Source: Wolfe Research

Exhibit 17: Utilization by Market, UBER
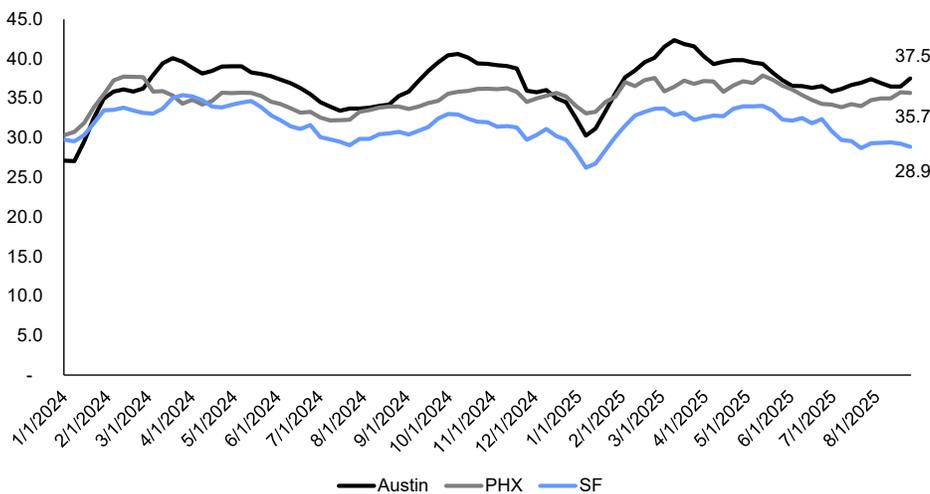
Source: Wolfe Research

Section IV: Valuation

While Uber is well within its MT guidance for EBITDA growth and FCF conversion as a % of EBITDA, leadership has also mentioned a heightened willingness to invest behind the core growth algorithm. With this in mind, we have looked at a range of scenarios where Bookings growth through FY'27 holds on its current HTs% glidepath but incremental margins taper modestly but remain in the HSD% range.

In this analysis, we have assumed a FCF conversion range of 85%+ but see the bias as likely above mgmt.'s MT target of 90%+. We have also incorporated 50% of FCF being deployed into share repurchases, inline with the CFO's commentary from the most recent earnings call.

Leveraging our framework and comparing relative to our comp set of leading gig and OTA companies we see a FV range for Uber shares in the near-term of $80-$122, implying a favorable risk reward skew, and an inline multiple with peers on a growth adjusted basis provided there is further margin degradation. Our scenarios incorporate a range of incremental margins between 5-9% compared to our FY'26 estimate of 7.4% with EBITDA to FCF conversion % of 85-102.5%.

Exhibit 18: UBER Valuation

UBER FCF Comps	FCF FY24	FCF FY25E	FCF FY26E	FCF FY27E	'24-'27 FCF CAGR	EBITDA FY27E	% EBITDA Conversio	P/FCF FY27E	Growth Adj
DASH	$1,967	$2,483	$3,510	$4,345	30.2%	$4,958	87.6%	24.3x	.8x
LYFT	$766	$931	$902	$991	8.9%	$816	121.4%	6.5x	.7x
CART	$650	$879	$1,023	$1,234	23.8%	$1,400	88.1%	9.9x	.4x
BKNG	$7,728	$8,992	$9,892	$10,785	11.8%	$12,008	89.8%	16.8x	1.4x
EXPE	$2,330	$2,144	$2,729	$3,194	11.1%	$3,919	81.5%	8.1x	.7x
UBER	$6,895	$9,354	$12,455	$13,679	25.7%	$14,030	97.5%	14.9x	.6x
							Target	**P/FCF**	**Growth Adj**
UBER - Upside					25.7%		$122	20.2x	.8x
UBER - Downside					19.5%		$80	15.4x	.8x

Source: Wolfe Research, FactSet

We have run a similar scenario analysis for Lyft, if incremental margins taper between a range of 3.5-5.5% as compared to our FY'26 estimate of 5.7% and EBITDA to FCF conversion ranges of 105-140%, the latter is below the current estimate for >160% conversion in FY'26. On further margin degradation we see shares as fully valued at current levels.

Exhibit 19: LYFT Valuation

LYFT FCF Comps	FCF FY24	FCF FY25E	FCF FY26E	FCF FY27E	'24-'27 FCF CAGR	EBITDA FY27E	% EBITDA Conversion	P/FCF FY27E	Growth Adj
DASH	$1,967	$2,483	$3,510	$4,345	30.2%	$4,958	87.6%	24.3x	.8x
UBER	$6,854	$9,206	$11,005	$13,489	25.3%	$13,645	98.9%	14.7x	.6x
CART	$650	$879	$1,023	$1,234	23.8%	$1,400	88.1%	9.9x	.4x
BKNG	$7,728	$8,992	$9,892	$10,785	11.8%	$12,008	89.8%	16.8x	1.4x
EXPE	$2,330	$2,144	$2,729	$3,194	11.1%	$3,919	81.5%	8.1x	.7x
ETSY	$692	$555	$637	$684	-0.4%	$800	85.5%	9.2x	NM
EBAY	$1,956	$1,588	$2,651	$2,992	15.2%	$3,797	78.8%	15.2x	1.0x
LYFT	$766	$1,002	$1,070	$1,135	14.0%	$811	140.0%	6.3x	.4x
							Target	**P/FCF**	**Growth Adj**
LYFT - Upside					11.2%		$21	9.9x	.9x
LYFT - Downside					6.9%		$9	4.3x	.6x

Source: Wolfe Research, FactSet
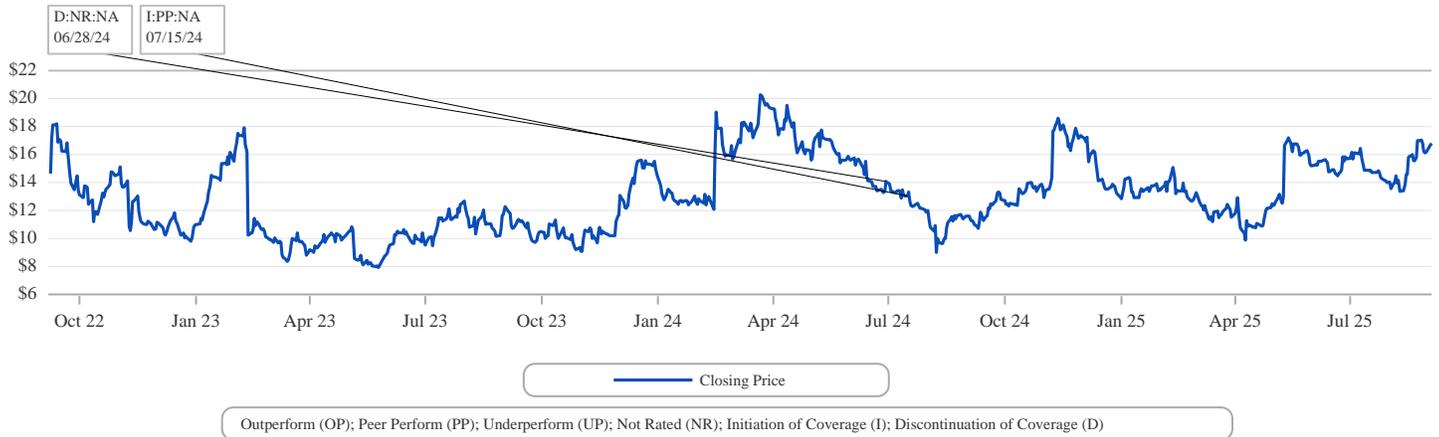
DISCLOSURE SECTION

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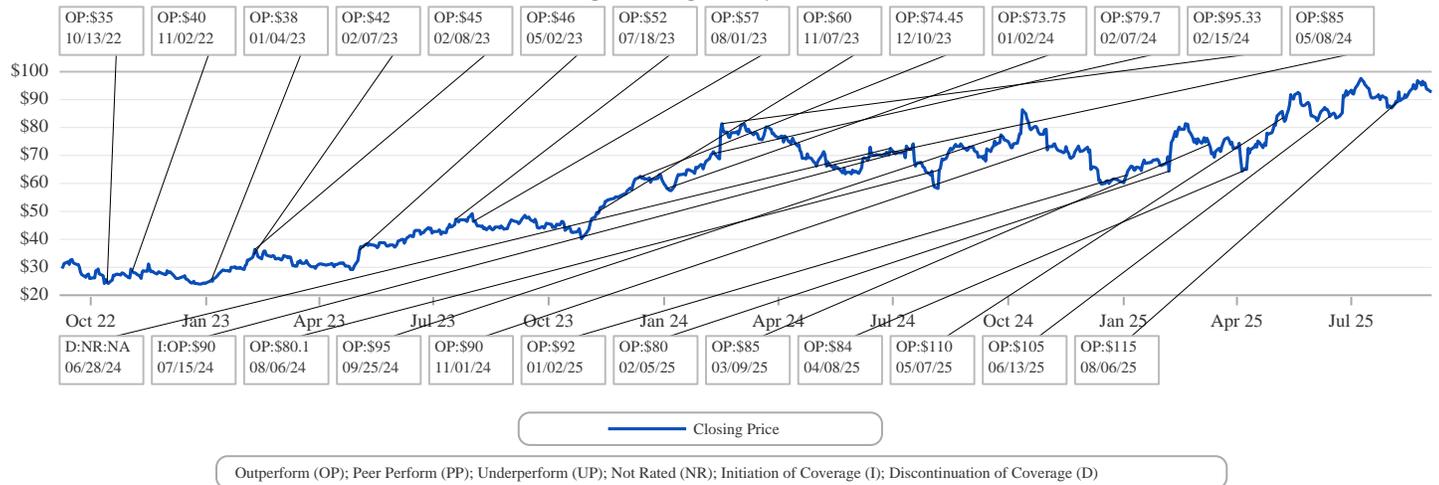
Important Disclosures:

Price Chart(s) with Ratings and Target Price History

Lyft Inc. Rating History as of 09/02/2025

Uber Technologies Rating History as of 09/02/2025

Tesla, Inc. Rating History as of 09/02/2025

| OP:$360 09/06/22 | OP:$288 10/20/22 | OP:$250 12/01/22 | OP:$160 01/17/23 | OP:$185 01/26/23 | PP:NA 03/13/23 |

Closing Price

Outperform (OP); Peer Perform (PP); Underperform (UP); Not Rated (NR); Initiation of Coverage (I); Discontinuation of Coverage (D)

Wolfe Research, LLC Fundamental Valuation Methodology:

Company:	Fundamental Valuation Methodology:
Lyft Inc.	Our FV range of $10-$21 is derived by EV/EBITDA multiples ranging 5x-9x on FY26E.
Uber Technologies	Our PT of $115 is derived by 20x FY26E P/FCF.
Tesla, Inc.	We use a combination of a discounted cash flow methodology and a P/E multiple on 2026 earnings, discounted back.

Wolfe Research, LLC Fundamental Recommendation, Rating and Target Price Risks:

Company:	Risks That May Impede Achievement of the Recommendation, Rating or Target Price:
Lyft Inc.	Upside Risks: a) incremental share wins from key product developments and partnerships; b) better than expected category growth from additional modalities; and c) better customer adoption in secondary markets. Downside Risks: a) renewal of price pressure in the US rideshare market; b) sustained elevated inflation cost impacting margins; c) slower than expected growth in core markets; d) inability to grow outside of dense urban centers
Uber Technologies	a) Increased competitive activity in US or International rideshare/food delivery markets could weigh on margins; b) Unfavorable regulatory outcomes that impact business model; c) weaker demand in key International markets or New Verticals; d) Difficulty scaling AV integration
Tesla, Inc.	The main downside risks relate to weaker than expected demand, with the company looking to fill-out existing capacity (has ~3 MM units vs run-rate production of 1.5-1.6 MM). Added risks also relate to their high-margin Battery Storage business, as TSLA faces supply-chain and input cost challenges related to recently announced tariffs. And success of their upcoming robotaxi launch will likely influence investor sentiment, with the market increasingly placing higher value on this opportunity. Upside risks stems from Tesla's success in their various AI initatives. That includes

Company:	Risks That May Impede Achievement of the Recommendation, Rating or Target Price:
	their efforts to "unlock" full eyes-off / hands-off autonomy for personal vehicles, along with rapid deployment of robotaxis across the US and overseas. Optimus, FSD licensing, and future AI services represent additional opportunities.

Wolfe Research, LLC Research Disclosures:

Company:	Research Disclosures:
Lyft Inc.	Other
Uber Technologies	None
Tesla, Inc.	None

Wolfe Research, LLC Research Disclosure Legend:
Other: The lead analyst has a limited partnership and other financial interests in a fund that seeks to take companies private, including companies that may be in his coverage universe.

Other Disclosures:

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Peer Perform (PP):	The security is projected to perform approximately in line with analyst's industry coverage universe over the next 12 months.
Underperform (UP):	The security is projected to underperform analyst's industry coverage universe over the next 12 months.

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Market Weight (MW):	Expect the industry to perform approximately in line with the primary market index for the region (S&P 500 in the U.S.) over the next 12 months.
Market Underweight (MU):	Expect the industry to underperform the primary market index for the region (S&P 500 in the U.S.) by at least 10% over the next 12 months.

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Outperform:	50.66%	3.93% Investment Banking Clients within the previous 12 months
Peer Perform:	43.90%	1.51% Investment Banking Clients within the previous 12 months
Underperform:	5.44%	2.44% Investment Banking Clients within the previous 12 months

Other Disclosures:

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