

Uber loss leapt in 2017 as final quarter showed hope

February 14 2018



Uber lost \$1.1 billion in the final quarter of 2017 as compared with \$1.46 billion in the preceeding quarter as revenue rose

Ride-share titan Uber on Tuesday revealed that its losses last year

swelled despite signs in the final three months that it was stemming the red ink.

Figures reported by The Information and confirmed by AFP showed that Uber's losses in 2017 grew to \$4.5 billion from the \$2.8 billion the San Francisco-based firm lost a year earlier.

However, Uber lost \$1.1 billion in the final quarter of 2017 as compared with \$1.46 billion in the preceeding quarter as revenue rose.

Net revenue grew to \$2.22 billion from \$1.38 billion in the same quarter-over-quarter comparison.

Uber remains a private company, but routinely discloses some earnings information. Freshly ensconced chief executive Dara Khosrowshahi is steering the high-value startup to a [stock market debut](#) next year.

Khosrowshahi began reigning in costs after he took over as Uber chief late last year, replacing ousted co-founder Travis Kalanick.

Waymo and Uber last week announced a settlement in a blockbuster lawsuit over allegedly stolen trade secrets from the former Google self-driving car project.

The surprise agreement ended an image-bruising trial between the two Silicon Valley rivals competing in a race to develop autonomous cars, after four days of testimony before a federal judge in San Francisco.

A source familiar with the confidential deal said Uber agreed to a financial settlement giving the Alphabet unit 0.34 percent of Uber shares—which would be some \$244 million based on Uber's valuation of \$72 billion.

Uber also agreed not to use any of Waymo's technology for autonomous driving as part of the settlement, which was approved by Judge William Alsup as he dismissed the case.

SoftBank recently took a 15 percent stake in Uber by acquiring shares from early investors at a discounted price, according to a source familiar with the terms of the deal.

The investment was part of an effort by Uber to move past a series of scandals and missteps and reform its board structure as it gears up for a 2019 public share offering.

Khosrowshahi has vowed to fix the company's work culture and business practices.

Even as Uber has seen unprecedented growth by expanding to dozens of countries, it has been hurt by missteps including allegations of executive misconduct, a toxic work atmosphere and potentially unethical competitive practices.

© 2018 AFP

Citation: Uber loss leapt in 2017 as final quarter showed hope (2018, February 14) retrieved 30 April 2024 from <https://phys.org/news/2018-02-uber-loss-leapt-quarter.html>

| |
|--|
| <p>This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.</p> |
|--|