

The Lyft logo is centered on a white background. A large, solid magenta triangle is positioned in the bottom-left corner, pointing towards the center of the frame. The word "Lyft" is written in a bold, rounded, sans-serif font, with the 'y' having a distinctive shape where the descender loops back to the stem.

Lyft

# Background

- Headquartered in San Francisco, California
- Founded by Logan Green and John Zimmer
- Launching growth initiatives targeting international and underrepresented markets
- First GAAP net profitable year was 2024
- 2024 Revenue of \$5.8 billion was up 31% year over year.



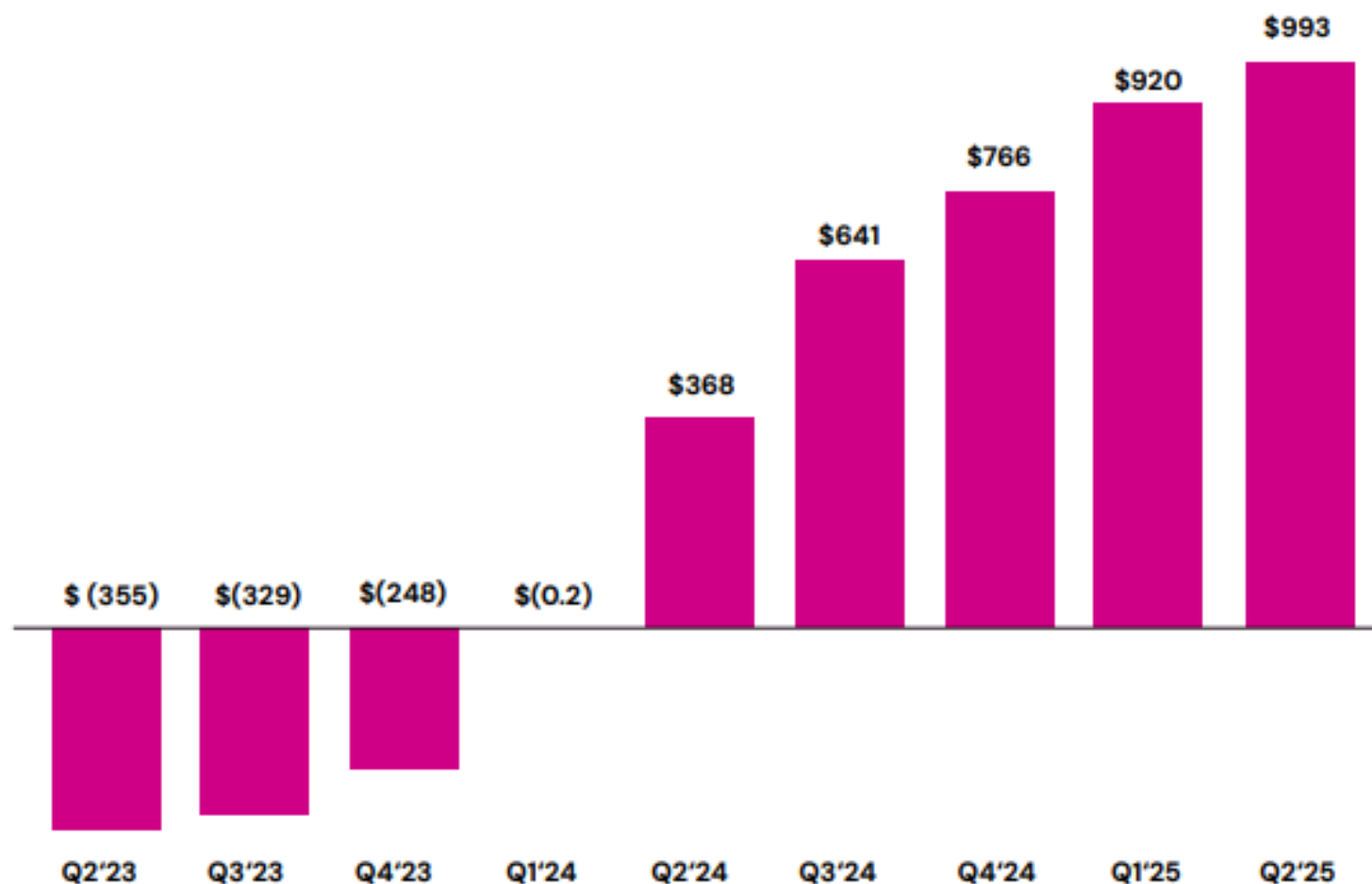


# Executive Summary

- Lyft is a young company that just turned a profit in 2024
- The DCF shows that Lyft is Overvalued by nearly 70%
- Lyft is showing very promising growth rates, strategic partnerships, and a realistic but ambitious plan for rolling out Autonomous EVs
- I want to purchase 1265 Shares of Lyft for around \$25,000

# Free Cash Flow (TTM)

(in millions)



**Q2'25 Free  
Cash Flow:  
\$993 million for the  
trailing twelve months**

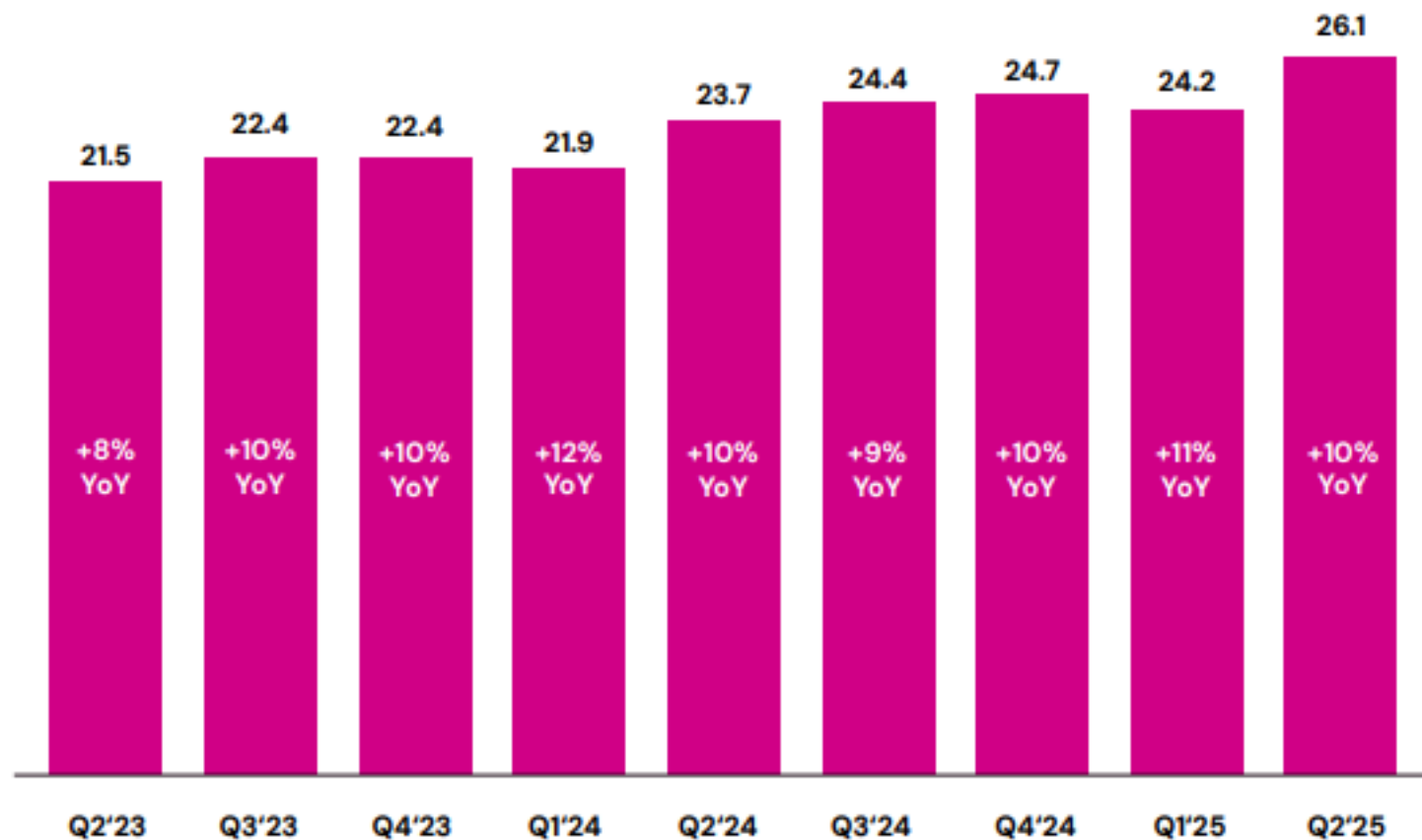
Note: The figures above are non-GAAP financial measures. Please see the explanation of non-GAAP measures as well as the reconciliation from GAAP to non-GAAP measures contained in the appendix to this presentation.

The above figures calculate free cash flow for the trailing twelve months periods, which represent the sums of the current quarter and prior three quarters.



# Quarterly Active Riders

(in millions, except for percentages)



**Q2'25**  
**Active Riders:**  
26.1 million,  
+10% YoY and  
an all-time high

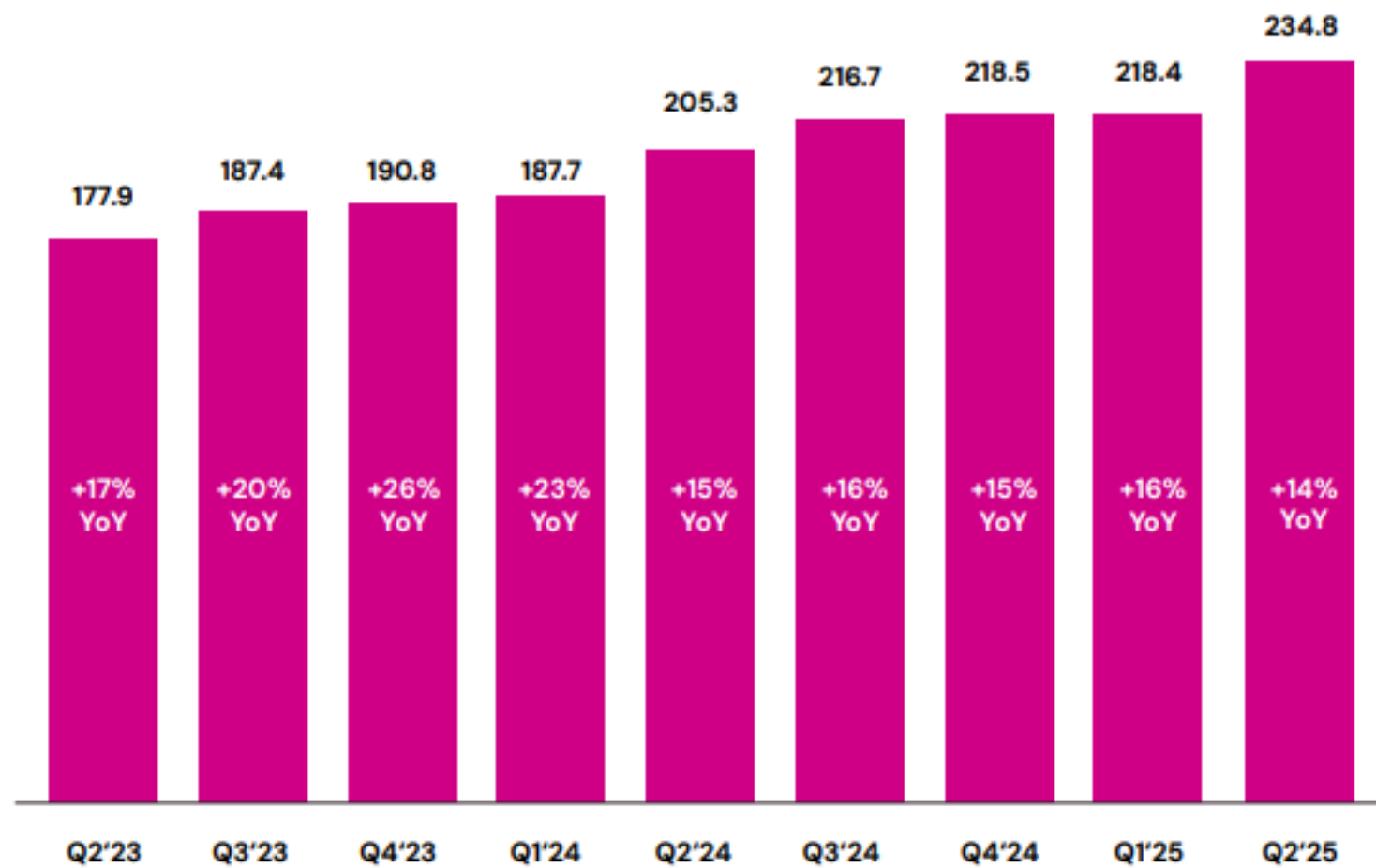


Note: In the first quarter of 2025, Lyft updated the definition of Active Riders to simplify the definition and better align the metric with future scaling of the business. The change was adopted prospectively and periods prior to the first quarter of 2025 were not changed as the impact was not material.



# Quarterly Rides

(in millions, except for percentages)

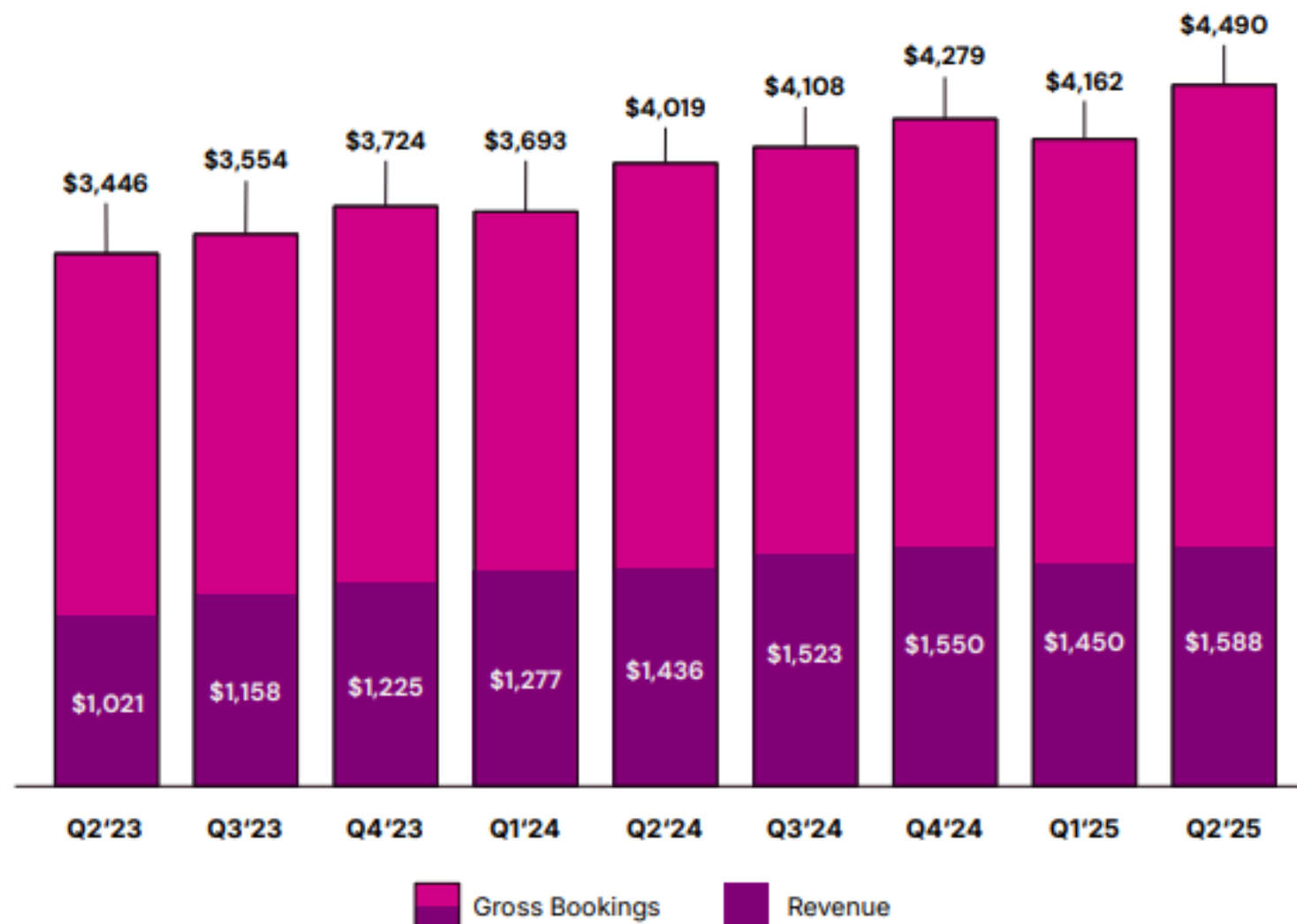


## Q2'25 Rides:

234.8 million,  
+14% YoY and  
an all-time high

# Quarterly Gross Bookings

(in millions)



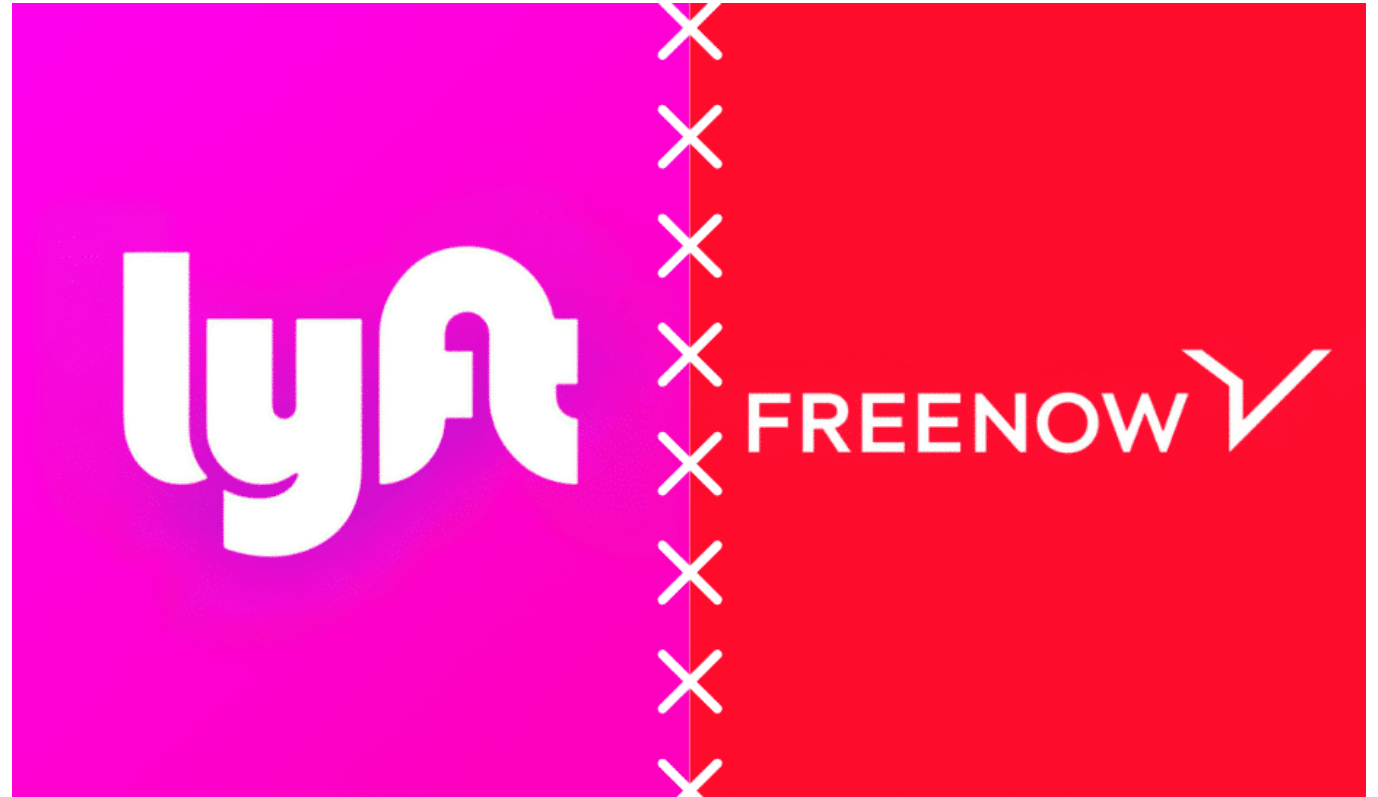
## Q2'25 Gross Bookings:

\$4.5 billion,  
+12% YoY and  
an all-time high

# Acquisition of FreeNow

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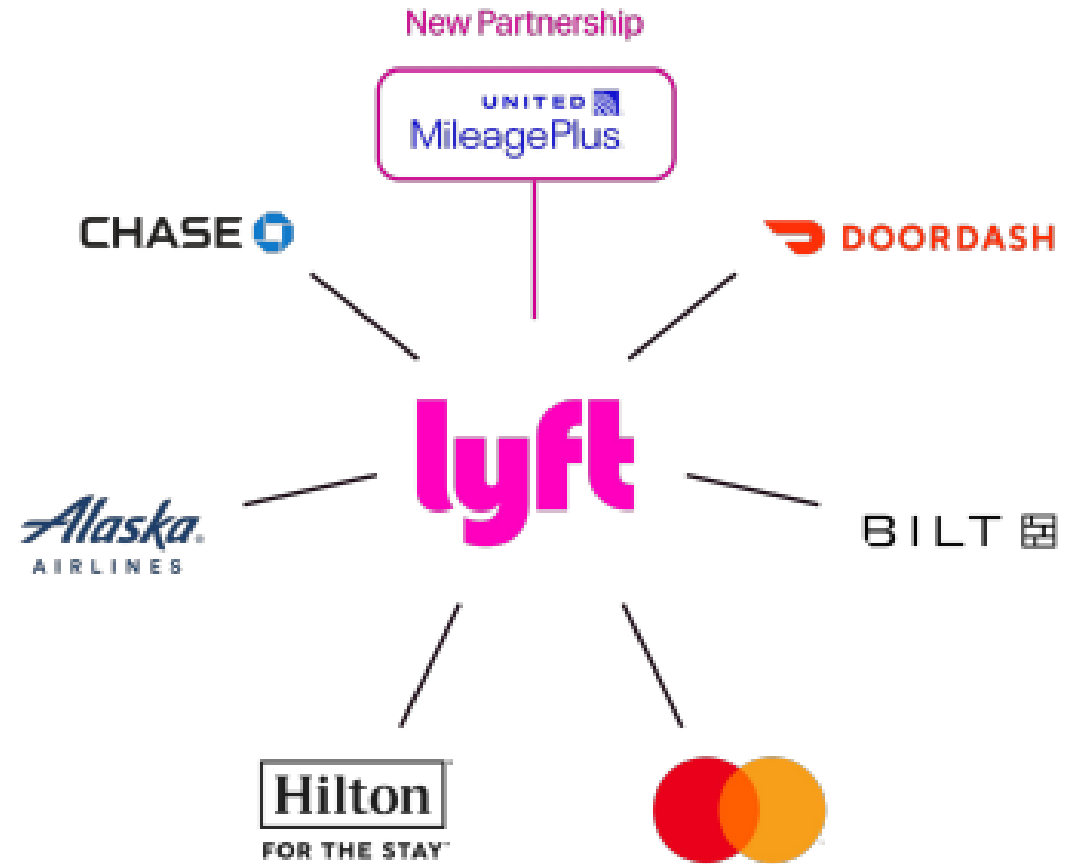
- **FreeNow** is a European mobility/app-taxi service.
  - It operates in 9 European countries and over 150 cities.
  - On July 31st, 2025 Lyft acquired FreeNow from Mercedes-Benz for \$197m
  - This acquisition is expected to add \$1.15b in gross booking to Lyft's platforms annually





# Partnerships

- Benteler and Baidu Partnership
- Chase Partnership
- Mastercard partnership
- Citi Bank partnership
- Doordash partnership
- Alaskan and Hawaiian Airlines Partnership
- Hilton Partnership
- American Airlines Partnership.



# Autonomous Partnerships

## Baidu

- Autonomous driving arm operates the Apollo go robotaxi service
- Robotaxis in 2026 in Germany and UK
- Apollo Go has deployed over 1,000 operational av globally.
- Apollo RT6 valuation of USD is under \$30,000

## Benteler

- Lyft's primary attack on AV transportation in the US
  - Testing began in 2025 for AV shuttles Planned release in late 2026
- Fleet ownership / financing is handled by Benteler Trading International



# Airline partnerships

## United Airlines

- Partnered with United Mileageplus in August 2025
- Get 50% off your first 2 rides (max value \$10 per ride) only using Lyft

## Alaskan and Hawaiian airlines Partnership

- Lyft Partnered with Alaskan airlines in 2022
- 54.7 million annual passengers for Alaskan and Hawaiian airlines after 2024 merger
- 2x points per \$1 spent on standard rides
- 3x points per \$1 spent on Airport and High value mode riders



# Financial Partnerships

## Chase Bank Partnership

- Started in 2020 and was extended to 2027
- 84 million users
- Sapphire Reserve / J.P. Morgan Reserve: 5× total Chase Ultimate Rewards points
- Sapphire Preferred: 5× points per dollar.
- Chase Ink business cards: 5× points or 5% cash back on Lyft rides.
- \$10 in Lyft cash on premium cards once a month 120/year in app credit



# Financial Partnerships



## Citi Bank

- Partnership started May 2019
- Has over 714 million active card users
- Take 3 eligible lyft rides in a calendar month and earn \$5 lyft credit
- 1 credit per customer a month
- For **Citi / AAdvantage** executive elite world elite mastercard
  - The reward doubles to a \$10 credit after 3 rides
  - 10% Airport Ride Discount

# Strategic Partnerships

## Doordash

- 43 million active users in 2024
- DashPass members get 5% off standard Lyft rides and 10% off scheduled rides to airports
- 2 free priority pickup upgrades per month for lyft riders
- New Lyft riders or DashPass get a 3-month free DashPass trial.

## Hilton

- Partnership started in May 2019
- Reported at the end of 2024 they had 226 million users
- 3 points per \$1 spent standard rides, 2 points per \$1 shared rides
- \$10,000 in Lyft rides per calendar year





# DCF and Ratio Analysis

Liquidity Ratios	LYFT	UBER	Competitor Mean
Current Ratio	0.76	1.07	1.07
Cash Ratio	0.2	0.51	0.51

Profitability Ratios	LYFT	UBER	Competitor Mean
Operating Margin	-2.06%	6.36%	6.36%
Net Profit Margin	0.39%	22.39%	22.39%
EBITDA to Sales	0.52%	8.04%	8.04%

Valuation Ratios	LYFT	UBER	Competitor Mean
P/E Ratio	64.21	20.36	20.36
EPS	0.29	4.71	4.71
Enterprise Value to Operating Income	-65.3	72.48	72.48
Enterprise Value to Sales	1.34	4.61	4.61

		WACC				
	\$6	10%	11%	12%	13%	14%
LTGR	2.0%	11	9	8	7	7
	2.5%	11	10	9	8	7
	3.0%	12	10	9	8	7
	3.5%	13	11	9	8	7
	4.0%	14	12	10	9	8

Enterprise Value	2,478,971
Net Debt	196,824
Equity Value	2,282,147
Shares O/S	406,440
Share Price	\$5.61
Market Price	\$18.62
Shares	
Undervalued	-69.84%

# Final Recommendation

- We recommend to reject the DCF and Ratio Analysis
- We believe that the growth potential of Lyft is more important for their valuations than valuing their limited cash flows
- Similar to the PLTR case study last year, it makes more sense to value Lyft as the young company it is with their growth potential rather than valuing them as a mature company with multiple years of cash flow data

# Final Recommendation

- We recommend buying 1265 shares of Lyft for around \$25,000 at ~\$19.70/share
- ~7.5% weighting in Seger Fund