Lyft

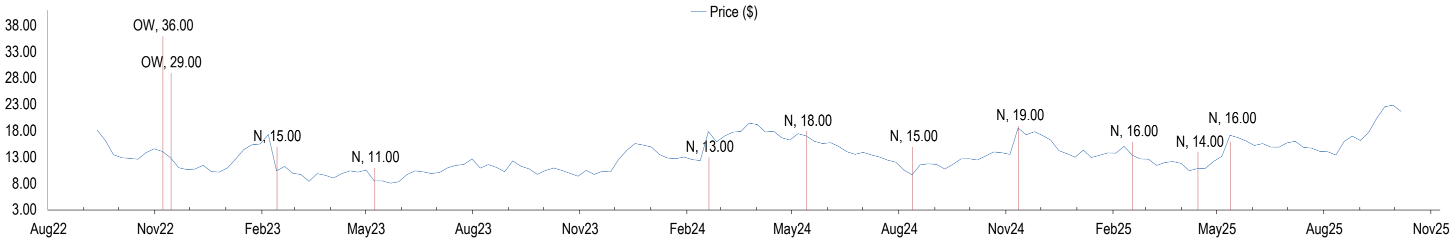
10 October 2025

WORLD TRADE SECURITIES

Equity Research

Recommendation	Price Target	PT End Date	Price	Upside/Downside to PT
Neutral	$16.00	31-Dec-26	$19.25	-16.9%

Lyft, Inc. provides online ridesharing services. The Company offers ride booking, payment processing, and car transportation services. Lyft serves customers in the United States.



Note: All analysts forecasts are as of last note published on 07-Aug-2025

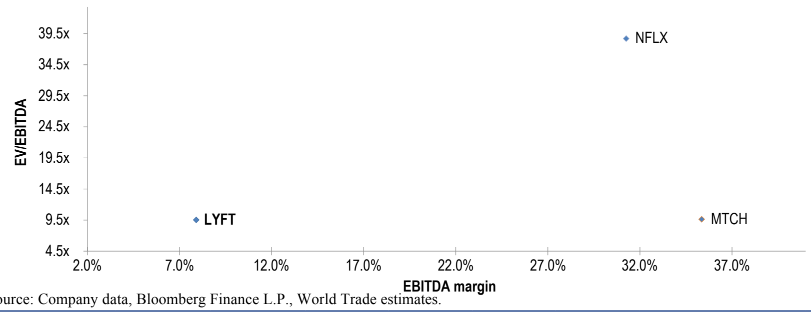
Source: Bloomberg Finance L.P., World Trade estimates.

The Upside/Downside to PT is calculated based on the previous day's closing price which is quoted above.

Key Financials ($mn, year end Dec)	FY23	FY24	FY25E	FY26E	FY27E
Revenue	4,404	5,786	6,479	7,406	8,292
EBITDA	221	382	512	690	902
EBIT	105	234	380	540	736
Pretax Income	249	378	529	666	853
Net Profit	250	391	510	620	773
Total Assets	4,564	5,435	5,493	5,924	6,551
Shareholder Equity	542	767	735	865	1,247
Adjusted Net Debt/(Cash)	281	(193)	(134)	(470)	(1,006)
Capex	(148)	(83)	(69)	(101)	(112)
Free Cash Flow to firm	(129)	887	896	817	916
EPS ($)	0.65	0.96	1.21	1.53	1.96
DPS	n/a	n/a	n/a	n/a	n/a
Key Ratios	**FY23**	**FY24**	**FY25E**	**FY26E**	**FY27E**
EBITDA Margin	5.0%	6.6%	7.9%	9.3%	10.9%
EBIT Margin	2.4%	4.0%	5.9%	7.3%	8.9%
Net Margin	5.7%	6.8%	7.9%	8.4%	9.3%
Payout Ratio	n/a	n/a	n/a	n/a	n/a
Net Debt/Equity (excl MI)	51.8%	NM	NM	NM	NM
FCF Yield	(1.7%)	11.3%	11.1%	10.5%	12.1%
P/E	29.7x	20.1x	15.9x	12.6x	9.8x
EV/EBITDA	20.5x	11.3x	9.5x	6.2x	4.0x
ROE	53.7%	59.8%	67.9%	77.4%	73.2%

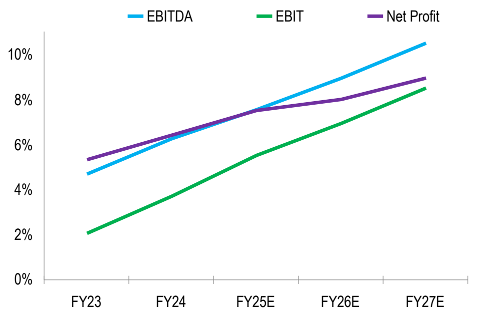
Source: Company data, Bloomberg Finance L.P., World Trade estimates.

Peer Valuation Chart FY25



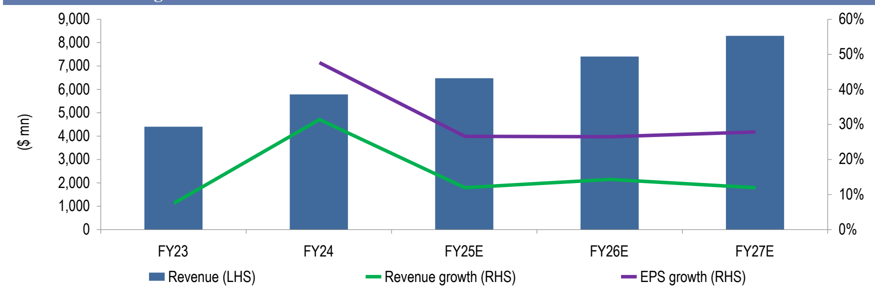
Source: Company data, Bloomberg Finance L.P., World Trade estimates.

Margin Analysis (LYFT)



Source: Company data, World Trade estimates.

Revenue and EPS growth



Source: Company data, World Trade estimates.

Company Data

Market Cap (USDmn)	8,142
Shares O/S (mn)	423
Float	93.5%
Dividend Yield	n/a
EPS ($)	1.21
3M - Avg daily volume (mn)	20.81
52 wk High/Low ($)	23.50-9.66

WTS EPS Estimate		BBG EPS Estimate	
FY25E	FY26E	FY25E	FY26E
1.21	1.53	1.08	1.36

Source: Company data, Bloomberg Finance L.P., World Trade estimates.

Peer Valuation Analysis	Ticker	Fiscal Year End	Last Note Published	Rating	Price Target	Mkt Cap ($mn)	EV/EBITDA		P/BV		P/E		ROE	
Local peers							FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Match Group	MTCH	2024/12	06-Aug-25	N	$33.00	8,296	9.6x	8.2x	n/a	n/a	9.7x	8.0x	NM	NM
Netflix Inc	NFLX	2024/12	25-Sep-25	N	$1,300.00	530,592	38.7x	32.6x	21.5x	19.3x	47.8x	39.5x	44.9%	51.0%
Global peers														
Alphabet Inc.	GOOGL	2024/12	03-Sep-25	OW	$260.00	2,885,681	14.5x	12.4x	7.3x	6.1x	23.8x	22.4x	36.7%	34.8%
Amazon.com	AMZN	2024/12	13-Aug-25	OW	$265.00	2,338,094	14.2x	11.3x	6.0x	4.7x	31.8x	27.9x	29.0%	25.2%
Meta Platforms Inc	META	2024/12	18-Sep-25	OW	$875.00	1,812,621	16.3x	14.1x	7.9x	5.8x	23.4x	22.5x	42.6%	34.9%
Lyft	**LYFT**	**2024/12**	**07-Aug-25**	**N**	**$16.00**	**8,142**	**9.5x**	**6.2x**	**n/a**	**n/a**	**15.9x**	**12.6x**	**67.9%**	**77.4%**
Median							14.4x	11.8x	7.6x	5.9x	23.6x	22.5x	42.6%	34.9%
Mean							17.1x	14.1x	10.7x	9.0x	25.4x	22.1x	44.2%	44.7%
High							38.7x	32.6x	21.5x	19.3x	47.8x	39.5x	67.9%	77.4%
Low							9.6x	8.2x	6.0x	4.7x	9.7x	8.0x	29.0%	25.2%

Source: Company data, World Trade estimates.

Investment Thesis

Lyft is a leading multimodal technology platform for personal consumer transportation, operating a consumer ridesharing marketplace at scale and building out networks of alternate transportation options. While underlying trends are healthier, there is concern around share loss to Waymo in markets like SF, and LA, and Lyft is behind Uber in terms of building AV partnerships. We remain on the sidelines and want to see a few quarters of consistent performance and margin improvement, along with the new long-term margin targets before getting more constructive.

Valuation

We're establishing our December 2026 PT of $16 based on ~5.0x our 2027E FCF of $897M (which equates to ~5.0x 2027E EBITDA), a discount to Lyft's Internet marketplace peers trading at ~18.5x, on average. We believe this discount is appropriate given our view that 1) shares remain a show-me story with sound execution required ahead, and 2) category position and scale lag those of its peer Uber.

Risks to Rating and Price Target

Risks to Upside:

1) Lyft gains market share against Uber without hurting unit economics; 2) Lyft is able to manage insurance risks in a better way, allowing for contribution margin upside; 3) The company is able to do a strategic partnership for its capex-heavy Bikes & Scooter business, which could drive FCF upside; and 4) Valuation remains muted with re-rating possible on a sustained strong execution.

Risks to Downside:

1) Uber applies pricing pressure; 2) Loss of market share; 3) Regulatory pertaining to worker classification plays out unfavorably; 4) Margins fail to scale w/additional volume; and 5) Autonomous vehicle (AV) technology increases direct competition.