

# Maplebear Inc. DBA Instacart (CART)

Q1 2026 Prepared Remarks – May 6, 2026

## Chris Rogers, Chief Executive Officer and Chairperson

Thanks Rebecca. Good morning everyone and thanks for joining us.

Q1 was a strong start to the year. We grew GTV 13% and total revenue 14% year-over-year, surpassing \$10 billion in GTV and over \$1 billion in total revenue for the first time. We also expanded profitability and repurchased \$349 million in shares, reflecting our continued confidence in the business.

### **Stepping back, the headline is simple: our strategy is working.**

We're the leading grocery technology platform, delivering a best-in-class consumer experience, powering retailers through our marketplace and enterprise capabilities, and operating a scaled advertising ecosystem for brands.

Each part of our strategy is getting stronger on its own, and more importantly, they're compounding together. When we improve the consumer experience—and scale our marketplace—we drive growth for our retail partners. We extend those capabilities into retailers' owned and operated channels, which deepens our integrations and allows us to create a better, more differentiated experiences for consumers. And as our platform grows, it creates more opportunities for us to expand our ads and data capabilities, while also unlocking efficiencies that we can reinvest back into the business.

That combination is what's driving our results and gives us confidence in our runway ahead. Now, let me walk through what we're seeing across each of our key growth engines.

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**Starting with Marketplace. Our fundamentals are strong, and we remain laser-focused on delivering the best end-to-end grocery experience.** We center on what matters most to customers: selection, quality, affordability, and convenience — and we're increasingly using AI to make our experience more personalized and intuitive.

You can see this in all the product improvements we've made, which may sound simple individually, but at our scale, they compound quickly. For example:

- We continue to enhance our search functionality, making it faster and more relevant, while also guiding more new users toward search earlier in their journey. That matters because customers who use search are about five times more likely to place their first order.
- We're also improving how consumers discover and access savings, making promotions more visible and easier to understand, including offers like "free pasta sauce when you buy \$10+ of meat." That's helping customers save while also driving larger baskets.

- And we continue to raise the bar on quality. We've upgraded our AI-powered replacement flow to better reflect consumer preferences in real time, a strong example of how our data and technology have come together to improve outcomes for both shoppers and customers.

**On top of this strong foundation, we're introducing new AI-powered capabilities.** With over 1.6 billion lifetime orders, we have a unique and deep understanding of the grocery journey, and we're using that to build the gold standard of agentic grocery AI.

We recently began testing Cart Assistant, our AI-powered conversational shopping experience, which is now available to about 25% of U.S. customers. Early feedback is encouraging, with customers using it to discover recipes, build meal plans, quickly assemble baskets, and research products. These are some of the most time-consuming parts of grocery shopping, which highlights the meaningful role generative AI can play in enhancing the online grocery experience.

These advancements are also why we've decided to integrate Instacart with AI platforms like ChatGPT, and most recently with Claude. We want customers to experience conversational grocery shopping combined with the power of Instacart's selection, data, and fulfillment, wherever and however they choose to shop.

**In addition to all of these product improvements, affordability remains a key growth lever.**

Consumers are very focused on value, and we're continuing to give retailers better tools to deliver that. For example, over the past several quarters, we partnered closely with Sprouts to launch Sprouts Rewards across their online properties, in addition to enabling native signup, account linking, and digital coupons directly on our marketplace at the same time they rolled out the program in-stores. We're also seeing club retailers continue to outperform on the platform, driven in part by programs we helped launch like Costco's Executive Member benefit.

We're also making progress on price parity. Retailers who offer price parity—meaning no markup on item prices—continue to grow faster on our platform. We saw that with both Hy-Vee and Raley's after they moved to price parity in Q1, and we're building on that momentum with more recent launches of Fareway, as well as several other local independent grocers.

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**Our next growth engine is our enterprise platform.** Retailers choose Instacart because of our purpose-built grocery technology across e-commerce, retail media, in-store, and AI Solutions. The breadth and depth of our platform is difficult to replicate and it delivers clear results.

At the center of our enterprise platform is our Storefront technology, which powers over 380 grocery ecomm sites. Our flagship offering, Storefront Pro, supports partners like Costco, Publix, and Sprouts, and continues to gain traction because it drives meaningful outcomes. On average, grocers who upgrade to Storefront Pro see an over 10 percentage point lift in online sales and a more than 5 percentage point lift in 90-day new user retention.

A strong example of this is ALDI. In Q1, they launched a redesigned U.S. website and mobile app nationwide powered by Storefront Pro, another clear signal of how valuable our technology can be to large, established retailers. We've partnered with ALDI for a long time, starting with our marketplace and expanding into services like alcohol, EBT SNAP, flyers, and a custom-integration to bring their "Weekly Finds" online. Since 2019, we've also powered their online grocery delivery and their pickup experience through our fulfillment technology. So their decision to double down with Storefront Pro, and launch Carrot Ads, is a clear example of our enterprise strategy in action.

**We're now extending that approach with our newest enterprise offering: AI Solutions.** As we build leading AI capabilities on our marketplace, we're bringing those same tools to retailers' owned and operated channels. We're already seeing strong engagement here, particularly with Cart Assistant, where we're working with partners like Kroger and Sprouts to bring these capabilities to life. And we've also recently signed additional partners including Food Bazaar, Heritage Grocers, Restaurant Depot, Save Mart, and Woodman's.

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**All of this growth across marketplace and enterprise strengthens our advertising and data capabilities.** In Q1, we grew advertising & other revenue 16% year-over-year, our fastest growth rate since Q3 2023, driven by continued expansion and diversification across both sides of our ecosystem, where we are accelerating both supply and demand.

On the supply side, we're expanding inventory and providing our best-in-class ads capabilities across more surfaces. This is driven by our healthy, growing marketplace and our expanding network of over 310 Carrot Ads partners, where we recently launched new partners like ALDI, Dierbergs, Fareway, and Jerry's Foods.

On the demand side, we're seeing broad-based strength across over 9,000 brands advertising on our platform. This is supported by our focus on making it easier for brands to get started and scale. New brands to our ecosystem can now launch high-performance campaigns in minutes with fully automated tools. And our AI-powered recommendation engine in our self-service platform, Ads Manager, continues to gain traction.

**We're also using AI to enhance performance across our platform.** For example, we recently launched a new generative recommendations system that can use real-time context to better understand a consumer's intent. Previously, adding milk to your cart might result in a recommendation to add cookies, or cereal, or sliced cheese. Now, based on additional items in your cart like flour and eggs, we can better predict that you're actually shopping for baking essentials. This leads to more valuable suggestions—like vanilla extract and cinnamon—and early data shows this is driving higher engagement and better results for advertisers.

**Beyond advertising, we're also making progress on data monetization.** Our off platform partnerships, where we allow brands to leverage our digital first-party data to make their campaigns more effective on platforms like Meta, The Trade Desk, TikTok and more, are continuing to scale as we attract incremental budgets from ad partners. And, our Consumer Insights Portal, which aggregates real-time, high-quality insights into consumer behavior, continues to attract new subscribers like Kraft Heinz, and drives deeper engagement with existing partners like Advantage Solutions.

So when you step back, our growth engines are working the way we want them to, and we're carrying that momentum into Q2.

**We're also continuing to invest in longer-term growth opportunities.**

**International is off to a strong start.** As you'll recall, we're taking an enterprise-led approach, partnering with retailers and scaling technologies that have already proven to solve retailers' needs. In Q1, we launched Storefront Pro with Costco in Spain and France. And while it's still early, consumer demand is encouraging and tracking ahead of our initial expectations.

A few weeks ago, we also acquired Instaleap, a strategic acquisition that aligns perfectly with our goal of bringing our grocery technology to a global audience. Instaleap has built a versatile fulfillment platform that can adapt to different market dynamics across regions. And just as importantly, they've built strong relationships with grocery retailers around the world, particularly in Europe and Latin America.

This is exactly how we want to expand internationally: focused, partner-led, and grounded in existing capabilities that we know work.

**We're also seeing strong progress with our in-store technologies.** Caper, our AI-powered smart cart, is now live in more than 100 cities, including recent expansions with Wakefern and Allegiance retailers. Customers are continuing to enjoy their Caper experience which is driving higher basket sizes, new loyalty and omnichannel activations, and early traction with our real-time inventory and aisle-aware advertising experiences. Alongside Caper, solutions like FoodStorm and Carrot Tags are helping retailers modernize in-store operations and improve both efficiency and customer experience.

When you put this all together, with signals from our shopper network and deep retail integrations, we're developing a truly complete view of the omnichannel grocery experience.

That's already starting to unlock new capabilities. For example, we've begun piloting Store View with partners like McKeevers, Sprouts, and more, who are now leveraging real-time computer vision to improve shelf availability and accuracy. Over time, we expect this to translate into additional benefits across our ecosystem, including better availability, better recommendations, more efficient fulfillment, and more valuable advertising for retailers and brands.

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Ok. Before I hand it to Emily, let me close where I started.

**Our strategy is working.** Our marketplace, enterprise platform, and advertising ecosystem are each getting stronger, and we're gaining momentum on longer-term growth initiatives that are built on our critical advantages. Together, this creates an increasingly powerful platform that positions us very well for durable, profitable growth.

We're operating from a position of strength in a large, underpenetrated category and we're focused on extending our lead by continuing to drive value for our partners while growing the pie across the ecosystem.

With that, I'll turn it over to Emily to walk through the financials.

## **Emily Reuter, Chief Financial Officer**

Thank you, Chris, and hello everyone.

We entered 2026 with strong momentum and our Q1 results clearly demonstrate that our focus and investments across our key growth engines and new initiatives are working. Our performance continues to be supported by strong operating fundamentals, with multiple levers in our P&L that allow us to balance growth and profitability in a disciplined way.

### **Now, let me provide more color on our Q1 results.**

In Q1, GTV was \$10.29 billion, up 13% year-over-year primarily driven by orders of 91.2 million, up 10% year-over-year. As we expected, GTV growth outpaced order growth as we lapped the launch of our \$10 minimum basket feature for Instacart+ members in Q1 2025. Average order value of \$113 was up 3% year-over-year reflecting the ongoing deepening of customer engagement across our platform and strong performance from club retailers, which tend to have larger AOVs.

Transaction revenue was \$733 million, up 13% year-over-year, representing 7.1% of GTV. Transaction revenue as a percent of GTV was flat on a year-over-year basis, driven by increased fulfillment efficiencies largely offset by lower payment revenue. As a reminder, because we manage multiple levers across our P&L, we expect transaction revenue as a percent of GTV may fluctuate from quarter to quarter.

Advertising & other revenue was \$286 million, up 16% year-over-year. As Chris noted, this was our strongest growth rate since Q3 2023 – and helped drive our advertising & other investment rate to 2.8%, up from 2.7% in Q1 2025. This outperformance in Q1 was driven by broad-based strength. Large brands performed well, while mid-market and emerging brands leaned in particularly strongly to start the year.

Total revenue was \$1.02 billion, up 14% year-over-year, primarily driven by GTV growth.

GAAP gross profit was \$738 million, up 10% year-over-year, representing 7.2% of GTV compared to 7.4% in Q1 2025. The year-over-year decrease in GAAP gross profit as a percent of GTV was primarily driven by an increase in cost of revenue as payments to publishers scale with the expansion of Carrot Ads and off-platform partnerships. As a reminder, we expect year-over-year growth in payments to publishers to moderate in 2026 compared to 2025.

GAAP total operating expenses were \$556 million, representing 5.4% of GTV compared to 6.1% of GTV in Q1 2025. Adjusted total operating expenses, which exclude the impact of stock-based compensation expense and certain other expenses, were \$463 million and represented 4.5% of GTV compared to 4.9% of GTV in Q1 2025.

The year-over-year improvement in both GAAP and adjusted total operating expenses were primarily driven by increased operating leverage across all line items. In particular, G&A benefited in Q1 from the repeal of Canada DST late in the quarter, which is not a benefit we expect moving forward now that this matter is resolved. As a reminder, we continue to expect Q1 to be our lowest quarter of stock based comp in a calendar year, followed by a sizable step up in stock based comp in Q2 due to the timing of our annual refresh grants.

GAAP net income was \$144 million, up 36% year-over-year. Adjusted EBITDA was \$300 million, up 23% year-over-year. We also generated operating cash flow of \$268 million and free cash flow of \$253 million, both down 10% year-over-year, primarily due to the collection of a large accounts receivable balance from a retailer that benefited cash flow in Q1 2025 and the payment of \$60 million in regulatory settlements made in Q1 2026.

In Q1, we repurchased \$349 million of shares and ended the quarter with \$323 million of remaining buyback capacity. We closed Q1 with approximately \$880 million in cash and similar assets.

While our balance sheet remains strong and we expect to generate meaningful cash flow in 2026, we recently established a \$500 million unsecured revolving credit facility to provide additional operating liquidity.

Separately, today we announced a \$1 billion increase to our buyback authorization. We are well on track to return the majority of free cash flow via repurchases this year, and this increase will enable us to remain opportunistic in our buyback approach in 2026 and beyond.

#### **Now, on to our Q2 outlook.**

We anticipate GTV to range between \$10.1 to \$10.25 billion. This represents year-over-year growth between 11% to 13% with GTV expected to continue to outpace orders growth.

We expect advertising & other revenue to grow 11% to 14% year-over-year, reflecting the ongoing benefits of diversification across both supply and demand on our platform, even as brands continue to navigate a dynamic macro environment.

We are also guiding to Q2 Adjusted EBITDA of \$290 to \$300 million, representing year-over-year growth of 11% to 15%.

For the full year, we continue to expect Adjusted EBITDA to grow faster than GTV, while moderating in rate of expansion as we reinvest to accelerate across our multiple growth engines and lap some of the more significant operating expense efficiencies realized in 2024 and 2025.

Overall, we delivered strong Q1 results and are building on that momentum as we enter Q2. Our operating fundamentals are strong and we're well positioned to continue driving long-term profitable growth and shareholder value.

With that, we will open up the call for live questions. Operator, you may begin.