Maplebear Inc. DBA Instacart (CART)

Q2 2026 Prepared Remarks – Aug 6, 2026

Chris Rogers, Chief Executive Officer and Chairperson

Thanks, Rebecca. Good afternoon, everyone, and thanks for joining us.

Our business is performing incredibly well. **We've meaningfully accelerated our growth over the past three quarters,** including a strong Q2 performance, where we grew GTV 14% year-over-year. We also increased total revenue by 14% driven by stronger-than-expected advertising & other revenue performance, which grew 16% and again outpaced GTV growth. At the same time, we expanded Adjusted EBITDA and operating cash flow year-over-year, reflecting our continued focus on driving profitability while reinvesting for growth.

These results reflect broad-based momentum across our business. We're continuing to improve the customer experience on our leading online grocery marketplace, accelerate adoption of our enterprise technologies with retailers, and expand the breadth and depth of our advertising ecosystem.

That momentum is showing up in our customer base. Over the past three quarters, we've activated net-new customers at our fastest year-over-year growth rates since 2022, helping drive strong monthly customer growth while we've continued to deepen customer engagement.

With that, let me walk you through how we're executing across our growth engines.

Starting with marketplace, our fundamentals remain strong because we're relentlessly focused on delivering the best end-to-end grocery experience.

One of our biggest advantages is our data. We've completed more than 1.6 billion lifetime orders, built a catalog of over 2 billion products, and operate at a scale where our shopper network visits large-format stores an average of more than 15 times a day. Every day, we generate more than 10 million inventory signals that help us understand what's actually available on store shelves in real time. Every order placed, item picked, and substitution completed makes that understanding even stronger. That gives us a structural advantage that's incredibly difficult to replicate, and it allows us to build better grocery experiences with every order.

We're using that advantage to continuously improve order quality, which we know is one of the most important drivers of repeat customer behavior. In Q2, we improved both our found rate and perfect-order fill rate year-over-year for the sixteenth consecutive quarter. We're building on that momentum with new capabilities that make shopping more personalized and orders even more accurate. This quarter, we began testing personalized health tags and nutrition scores, which help customers discover products that better match their dietary preferences. Customers will start seeing simple indicators that identify products aligned with their nutritional preferences and make it easier to compare options while they shop. We're also making replacements more personalized with a new model that better incorporates customers' dietary preferences. So if a customer's preferred product is out of stock, we're much more likely to recommend a relevant replacement, such as gluten-free, low-sugar, or allergen-free.

Beyond improving today's customer experience, **we're continuing to invest in what we believe is one of Instacart's biggest advantages: inventory intelligence.** In July, we acquired Arpalus, whose computer vision technology turns a quick video scan into a highly accurate view of what's actually on the shelf. By combining Arpalus' technology with our operating scale and network of approximately 600,000 shoppers, we expect to drive additional fulfillment efficiency, enable more relevant AI-powered shopping experiences, and further strengthen our inventory intelligence.

Our data advantage is helping us build the gold standard in agentic grocery shopping. Our AI assistant doesn't simply recommend recipes or generic product pairings. It understands a customer's preferences, recent purchase history, what's actually available at nearby stores, and current promotions. It then turns those insights into an order that's ready to be placed and delivered in as fast as an hour. Customers are already using our AI assistant to quickly restock their essentials, find deals and discounts, order ingredients from recipe suggestions, discover new products, and plan meals. Orders placed with our AI assistant are, on average, larger than our typical basket. That's especially notable given our industry-leading average order value of $115. We're excited to build on this momentum and launch our AI assistant across our marketplace in North America over the next several weeks.

We remain focused on affordability, which we know is one of our biggest opportunities to accelerate online grocery adoption. Retailers that offer no markups on item prices continue to drive faster growth and stronger customer retention. **Instacart already has more retailers offering online grocery delivery with no markups than any other third-party marketplace in North America, and we're continuing to extend that advantage.** Grocery Outlet is eliminating markups nationwide across our marketplace, alongside regional favorites like Strack & Van Til and Super King Markets. New partners, including Ace Hardware, Calgary Co-op, Tractor Supply Company, and World Market are also launching with no markups right out of the gate.

The same scale and innovation that powers our marketplace also makes us a trusted technology partner for retailers' owned and operated channels. Retailers increasingly choose Instacart because we've already solved the hardest problems in online grocery. We bring those capabilities together in one connected platform spanning ecommerce, fulfillment, in-store, retail media, and AI, while keeping retailers' brand, customer relationships, and data their own. Our enterprise platform continues to be led by our ecommerce Storefront solution, which powers more than 380 grocery sites and helps retailers drive incremental growth and stronger customer engagement. Recently, we launched Storefront Pro with new partners like Calgary Co-op, Dierbergs, and more. And ALDI's Q1 launch on Storefront Pro in the U.S. is already performing ahead of our expectations.

We're bringing that same innovation into retailers' physical stores, where most grocery shopping still happens. Caper, our AI-powered smart cart, continues to scale with both new and existing partners, including Weis Markets and Wakefern in the U.S. and now Morrisons in the U.K. We're also seeing strong momentum with FoodStorm, our order management system for retailers' catering, prepared foods, deli, and bakery departments. These perimeter sales are an important source of customer loyalty, and they drive high-margin revenue for retailers. Recently, Costco launched FoodStorm-powered online ordering and delivery for custom cakes and party platters nationwide, digitizing an experience that was previously available only in the warehouse. We also signed Big Y for a chainwide rollout of online catering and in-store self-ordering kiosks, while Sprouts is expected to launch in-store kiosks across its California locations later this year.

As part of our enterprise offering, we're taking the AI technology we've built on our marketplace and offering it to retailers. In Q2, we signed new AI Solutions partners, including Stew Leonard's, The Save Mart Companies, and Woodman's — each for Agentic Analytics, our solution that transforms a retailer's own data into instant, actionable insights. These three retailers, in addition to Harmon's, also signed for our white-label AI Assistant.

We're also expanding our enterprise platform internationally, beyond North America. Earlier this year, we launched Storefront Pro with Costco in France and Spain, which continues to perform well. Instaleap, which we acquired in Q2, is expanding our international reach, and recently signed a new picking technology partnership with Morrisons, one of the United Kingdom's largest supermarket chains.

All of this growth across marketplace and enterprise strengthens our advertising and data offering. Our strategy to diversify both supply and demand across our ecosystem continues to gain momentum and in Q2, advertising and other revenue grew 16% year-over-year, once again outpacing GTV growth.

Our marketplace and network of Carrot Ads partners continue to grow as more ecommerce platforms turn to Instacart to power their retail media. This gives brands a simpler way to reach high-intent grocery customers across more retailers, at a time when they're looking to manage fewer retail media networks. That attracts more brands to Instacart, encourages existing partners to invest more, and creates a stronger, more resilient advertising ecosystem.

We continue to add new optimization tools to help advertisers achieve more of their goals. We recently rolled out AI-powered recommendations in Ads Manager to all advertisers, helping them improve performance through campaign and creative recommendations. In Q2, we began testing our Grow objective, which helps brands increase customer lifetime value by driving more repeat purchases, and we expanded our Acquire objective to display ads, helping brands reach more new customers.

We're also introducing new ad formats that give brands more ways to engage customers. Our new Immersive Feed brings the kind of recipe and meal inspiration customers already enjoy on other platforms to Instacart in a shoppable vertical video format that helps brands drive discovery, engagement, and incremental reach.

Finally, we're extending the value of Instacart's first-party data beyond our own platform. Brands increasingly want to use our insights wherever they already buy media – and our collaboration with Pinterest is a great example. In Q2, we made our Pinterest self-service offering available to all CPG partners, allowing advertisers to use Instacart audiences and closed-loop measurement in campaigns they buy through Pinterest.

Overall, I'm excited by the momentum we're driving across our business. As the leading grocery technology platform in a massive and still underpenetrated category, **we continue to see a tremendous opportunity to attract more customers, retailers, brands, and shoppers to Instacart.**

Customers come to us for a shopping experience that continues to get better through more selection, quality, affordability, and convenience. Retailers choose us for our technology that helps them grow, on Instacart, on their own digital channels, and in their stores. Brands value our scaled, full-funnel advertising ecosystem that delivers measurable results. And shoppers turn to Instacart for flexible earnings opportunities.

Each part of our platform strengthens the others. That's what makes Instacart unique, and it's what gives us further confidence in our ability to drive durable, profitable growth over the long term.

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 delivered strong Q2 results, reflecting broad-based strength across our platform and our operating model.

In Q2, GTV was $10.35 billion, up 14% year-over-year, primarily driven by orders of 90.3 million, up 9% year-over-year. As expected, GTV growth outpaced orders growth, with orders growth performing in-line with our expectations, primarily driven by growth in monthly customers. Average order value of $115 was up 4% 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 $746 million, up 13% year-over-year, representing 7.2% of GTV compared to 7.3% in Q2'25. The slight year-over-year decrease as a percent of GTV was primarily driven by lower payment revenue, offset by an increase in fulfillment efficiencies. As a reminder, because we manage multiple levers across our P&L, we expect that transaction revenue as a percent of GTV may fluctuate from quarter to quarter.

Advertising & other revenue was $297 million, up 16% year-over-year, outpacing GTV growth and driving our advertising & other investment rate to 2.9%, up from 2.8% in Q2'25. This outperformance in Q2 was driven by broad-based strength across large, mid-market, and emerging brands, and was especially pronounced toward the end of the quarter alongside the World Cup.

Total revenue was $1.04 billion, up 14% year-over-year, primarily driven by GTV growth.

GAAP gross profit was $751 million, up 11% year-over-year, representing 7.3% of GTV compared to 7.5% in Q2'25. 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 has scaled as we expanded certain 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 $608 million, representing 5.9% of GTV compared to 6.1% of GTV in Q2’25. Adjusted total operating expenses, which exclude the impact of stock-based compensation expense and certain other expenses, were $468 million and represented 4.5% of GTV compared to 4.8% of GTV in Q2’25. The year-over-year improvement in both GAAP and adjusted total operating expenses reflects our continued focus on driving efficiencies while reinvesting in growth initiatives.

GAAP net income was $111 million, down 4% year-over-year. This was primarily driven by an increase in stock-based compensation, reflecting the year-over-year impact of shifting our first quarterly vesting date for our annual equity refresh grants from August to May. Adjusted EBITDA was $313 million, up 19% year-over-year. We also generated operating cash flow of $493 million, up 143% year-over-year, and free cash flow of $480 million, up 156% year-over-year, primarily driven by a large accounts receivable balance collected in Q2'26 as well as higher receivables outstanding in the prior-year period.

In Q2, we repurchased $325 million of shares and ended the quarter with $998 million of remaining buyback capacity. We remain well on track to return the majority of free cash flow via repurchases this year, and closed Q2 with $1 billion in cash and similar assets.

Now, on to our Q3 outlook.

I want to start with a few points to keep in mind when it comes to our updated GTV and Adjusted EBITDA guidance philosophy.

First, our guidance continues to reflect the most up-to-date data available at the time we report earnings. That hasn’t changed, and neither has how we run the business.

Second, starting with our Q3 2026 outlook, we’ve widened our GTV and Adjusted EBITDA guidance ranges to reflect our increased operating scale.

Third, while we have beaten the high-end of our guidance ranges in the past, going forward, we expect to land within the GTV and Adjusted EBITDA guidance ranges we provide, with the midpoint being our best estimate of where we expect to land.

With that in mind, for Q3 2026, we anticipate GTV of $10.3 to $10.55 billion, representing $10.425 billion and year-over-year growth of 14% at the midpoint. We continue to expect GTV to outpace orders growth. We also anticipate Adjusted EBITDA of $320 to $340 million, representing $330 million and year-over-year growth of 19% at the midpoint.

For advertising & other revenue, in Q3, we expect to grow 15% to 18% year-over-year, once again outpacing our anticipated GTV growth and reflecting broad-based strength across our ads ecosystem.

For the full year, we continue to expect Adjusted EBITDA to grow faster than GTV year-over-year, while moderating its 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 Q2 results and are building on that momentum as we enter Q3. 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.