

Just Eat returns to profit earlier than expected despite fall in orders

Just Eat Takeaway.com has cheered returning to underlying profit earlier than expected as moves to slash costs offset a drop in order numbers.

The takeaway delivery giant said it achieved underlying earnings in its third quarter, which is “materially” ahead of previous guidance given at the start of its financial year.

This came in spite of an 11% drop in the number of takeaway orders to 235 million in the quarter as it came up against tough comparatives from a year earlier, when Covid restrictions boosted trade.

The group said its “focus on profitability delivered material improvements” to revenues from each order, delivery costs and company overheads.

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The group saw gross transaction value (GTV) of orders lift 2% as customers spent more for each order, as well as a boost from foreign exchange movements.

With the currency boost stripped out, GTV fell 5%.

Jitse Groen, chief executive of Just Eat Takeaway.com, said: "After two years of significant investment following the merger and the pandemic, I am pleased that Just Eat Takeaway.com has returned to profitability earlier than anticipated.

"Driven by a wide range of initiatives, we continue to improve our operational efficiency whilst simultaneously enhancing the user experience and consumer proposition.

But he flagged trading challenges ahead as he cautioned the "consumer backdrop will likely be challenging due to the macro-economic environment".

In the UK and [Ireland](#), orders fell by 15% and GTV dropped 5%.

But the group said "while the market backdrop in the UK was less favourable against a strong comparative period, the UK and Ireland segment achieved further material improvements in profitability".

Just Eat said in September that it expected the company to make adjusted earnings profit in the second half of the year, better than previous expectations.

But it also said it expects GTV to grow in the low single digits, having previously expected mid-single-digit growth.

It has been a rough time for the takeaway giant in recent months.

Facing activist pressure, it has been forced to consider a sale of Grubhub, a US delivery company that it bought just a year ago.

Last month Just Eat Takeaway.com said it had written down the value of Grubhub by three billion euros (£2.6 billion). It bought the firm for 7.3 billion dollars (£6.4 billion).