

# Amazon financials essay sample

[Business](#), [Company](#)



## Abstract

The research in this report provides foundational facts and figures related to Amazon, Inc. and all subsidiaries' current financial condition starting with the share price. Some of the most relevant information pertaining to the valuation of the company includes details from research of current financial instruments is produced along with a brief on prospective assessments for the up and coming year. In determination of the valuation of Amazon; a few key financial ratios are discussed and shown calculated with current values retrieved from the most recent income statement, balance sheet, and cash flow statement.

The issue of addressing the company's current metrics are suggested as they relate to acquiring above average gains, remaining ahead of competitors, and application of their current overall strategic efforts to maintain and exceed the current financial health of the company. Keywords: Amazon financials, Amazon profile, Amazon Financial Strength, Amazon Profitability, Calculations, Amazon share price, Amazon ROA, " Earth's most customer-centric company"

## AMAZON. COM INC.-Financials Report Project One

### Company Profile

Amazon. com, Inc. was incorporated in 1994 in the state of Washington and reincorporated in 1996 in the state of Delaware. Their principal corporate offices are located in Seattle, Washington. They completed their initial public offering in May 1997 and their common stock is listed on the Nasdaq Global Select Market under the symbol " AMZN." As used herein: " Amazon," "

Amazon. com," " they," " their," and similar terms include Amazon. com, Inc. and its subsidiaries, unless the context indicates otherwise.

Current statistics on 07/15/2014 confirm the following share prices: Open-\$353. 72, High-\$355. 59, Low-\$349. 4, and Closing-\$354. 44 with an " AMZN" ticker on the NASDAQ STOCK EXCHANGE GLOBAL SELECT MARKET; in the " Consumer Services" industry (Amazon 2014). Customers access its Websites directly and through its mobile Websites and apps. It also manufactures and sells Kindle devices. Effective February 5, 2014, Amazon. com Inc. acquired Double Helix Games LLC. Effective May 6, 2014, the Company acquired Iconology Inc. Financial Summary

For the three months ended 31 March 2014, Amazon. com, Inc. revenues increased 23% to \$19. 74B. Net income increased 32% to \$108M. Revenues reflect North America segment increase of 26% to \$11. 86B, International segment (no specific definition of International operatives) increase of 18% to \$7. 88B, Online Sales-increase of 26% to \$11. 86B. Net income benefited from North America segment income increase of 23% to \$562M. Sales Analysis

During the year ended December of 2013, sales at Amazon. com were \$74. 45 billion. This is an increase of 21. 9% versus 2012, when the company's sales were \$61. 09 billion. This was the fifth consecutive year of sales increases at Amazon. com (and since 2008, sales have increased a total of 288%) (Reuters, T. 2014). AMAZON. COM INC.-Financials Report Project One (Reuters, T. 2014).

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(Reuters, T. 2014).

Future Consensus Projection of Performance

ROA measures how well a company's management uses its assets to generate profits. It is a better measure of operating efficiency than ROE, which only measures how much profit is generated on the shareholders equity but ignores debt funding. This ratio is particularly relevant for banks which typically have huge assets.

Gaining Above Average Returns.

In an article on Digital Business Models, (Noren, E. 2013); the long-tail business model is addressed, " In 2006, Chris Anderson popularized the notion of the long tail, where an online store drives revenue from a much broader set of products than can normally be done in a bricks-and-mortar store. AMAZON. COM INC.-Financials Report Project One

Instead of the few thousand products that can be stocked at a normal retail store (and have to be stocked at multiple locations), online stores can stock hundreds of thousands of products and sell them to anyone, anywhere." This is clearly a very strong competitive advantage Amazon can " chalk-up" as being a successful business model that they've proven above average gains by adapting. In today's global environment where there is always room for

improvement, a myriad of “ broadening horizons” for Amazon will consistently evolve. The “ twenty-first century competitive landscape” implies that traditional sources of competitive advantage—economies of scale and large advertising budgets—may not as important in the future as they were in the past.

Albeit; something to take into consideration may lie in their applied efforts to effectively and continuously execute their business model in good health for long-term, incessant growth. They have achieved success in development of clear expertise in e-commerce innovation, which is applicable (on a lower quantitative scale) to a variety of traditional business models. What may be instrumental in learning how they have achieved a strong competitive edge that thrives in the digital era, is that it may be of best strategic interest to continue doing exactly what they’re doing; rather than making attempts at execution in invention of new business models from ground zero.

It is often said that history repeats itself; by and through development of taking smaller risks on what have a demonstrated ability in achievement of leveraged gains, Amazon can continue to succeed in this global environment by firmly embracing their already “ in place” strategic efforts. Because these efforts/actions are guided by the corporation’s vision and mission, they possess confirmed strategies that are already well formulated or developed and have subsequently been implemented or put into action.

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issue number, it's probably a journal. If it has little information,

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