

Amazon.com Inc. (AMZN)

\$247.38 (Stock Price as of 01/09/2026)

Price Target (6-12 Months): **\$259.00**

Long Term: 6-12 Months | **Zacks Recommendation:** **Neutral**
(Since: 01/01/26)
Prior Recommendation: Outperform

Short Term: 1-3 Months | **Zacks Rank:** (1-5) **2-Buy**
Zacks Style Scores: VGM: B
Value: D | Growth: B | Momentum: B

Summary

Amazon's international expansion and diversification across e-commerce, AWS cloud services, advertising, and streaming create multiple revenue streams while reducing concentration risk. Management's Q4 2025 guidance projects net sales of \$206-\$213 billion with operating income between \$21-\$26 billion, reflecting operational efficiency gains. AI integration across operations enhances personalization, logistics, and AWS offerings, strengthening competitive positioning. We expect 2025 net sales to grow 10.6% from 2024. However, substantial capital expenditure requirements for AI infrastructure and data centers strain financial resources and compress margins. The company's expanding debt burden reduces financial flexibility amid rising interest rates. Intensifying competition from Walmart, Microsoft Azure, and Google Cloud is an overhang.

Data Overview

52 Week High-Low	\$258.60 - \$161.38
20 Day Average Volume (sh)	34,688,744
Market Cap	\$2,632.9 B
YTD Price Change	6.7%
Beta	1.37
Dividend / Div Yld	\$0.00 / 0.0%
Industry	Internet - Commerce
Zacks Industry Rank	Top 43% (106 out of 244)

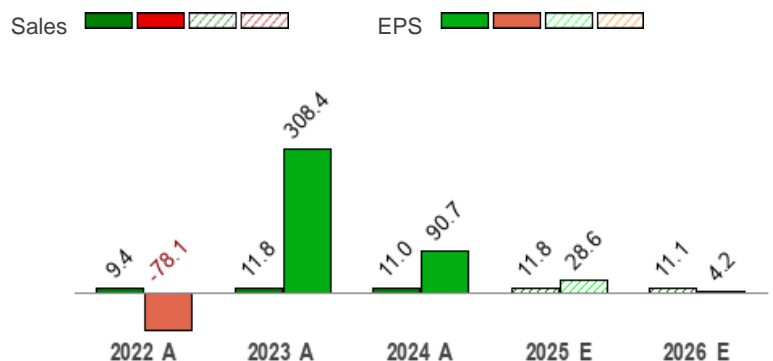
Last EPS Surprise	23.4%
Last Sales Surprise	1.3%
EPS F1 Est- 4 week change	0.1%
Expected Report Date	02/05/2026
Earnings ESP	0.0%

P/E TTM	34.8
P/E F1	34.8
PEG F1	2.2
P/S TTM	3.8

Price, Consensus & Surprise⁽¹⁾



Sales and EPS Growth Rates (Y/Y %)⁽²⁾



Sales Estimates (millions of \$)⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2026	173,441 E	185,879 E	198,987 E	233,845 E	792,152 E
2025	155,667 A	167,702 A	180,169 A	209,732 E	713,270 E
2024	143,313 A	147,977 A	158,877 A	187,792 A	637,959 A

EPS Estimates⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2026	1.66 E	1.79 E	1.93 E	2.03 E	7.41 E
2025	1.59 A	1.68 A	1.95 A	1.89 E	7.11 E
2024	1.13 A	1.23 A	1.43 A	1.86 A	5.53 A

*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, except the estimates, is as of 01/09/2026.

(2) The report's text, the analyst-provided estimates, and the price target are as of 01/09/2026.

Overview

Amazon.com is one of the largest e-commerce providers, with sprawling operations in North America, now spreading across the globe.

Its online retail business revolves around the Prime program well-supported by the company's massive distribution network. Further, the Whole Foods Market acquisition helped Amazon establish footprint in physical grocery supermarket space.

Amazon also enjoys dominant position in the cloud-computing market, particularly in the Infrastructure as a Service (IaaS) space, thanks to Amazon Web Services (AWS), which is one of its high-margin generating businesses.

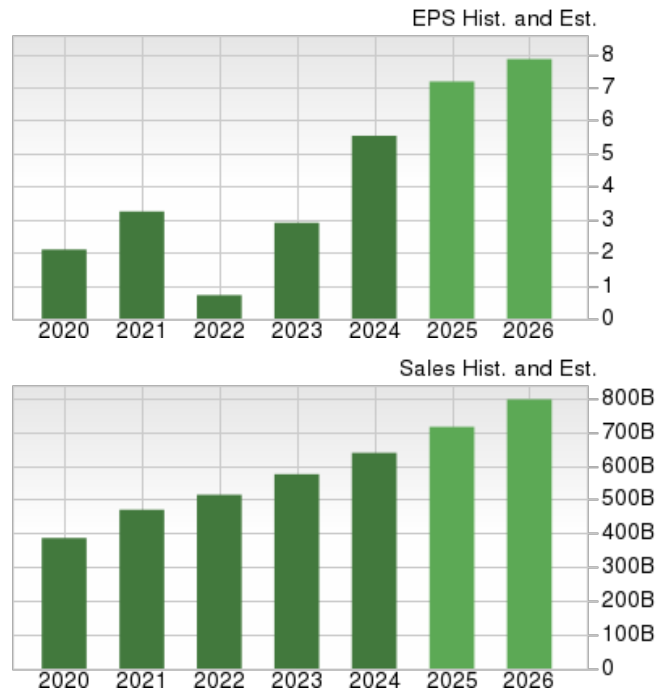
Amazon has also become a household name with its Alexa powered Echo devices. Artificial Intelligence (AI) backed Alexa is helping the company sell products and services.

Revenues were \$638 billion in 2024. The company reports revenue under three broad heads—North America, International and AWS. North America segment sales increased 10% year-over-year to \$387.5 billion. International segment sales increased 9% year-over-year to \$142.9 billion. AWS segment sales increased 19% year-over-year to \$107.6 billion.

Headquartered in Seattle, WA, Amazon targets three categories of customers—consumers, sellers and website developers. Consumers are offered variety, convenience and free delivery of goods displayed on the company's websites.

The agreements with sellers are varied, enabling them to use the company's websites to either sell their merchandise directly, or redirect customers to the sellers' own branded websites. In case of the latter arrangement, Amazon earns a fee for the sales thus generated.

Competition comes in the form of traditional retailers, other online retailers, media companies, web portals, search engines, e-commerce companies and cloud computing service providers.



As of 01/09/2026



As of 01/09/2026

Reasons To Buy:

- ▲ Amazon's aggressive international expansion positions the company for sustained revenue growth as it penetrates emerging markets with untapped e-commerce potential. The company continues strengthening its logistics infrastructure across Asia, Europe, and Latin America, enabling faster delivery times and improved customer satisfaction in these high-growth regions. International operations provide crucial diversification benefits, reducing dependence on the mature North American market while capitalizing on rising middle-class populations with increasing digital adoption rates. This geographic expansion strategy allows Amazon to leverage its proven business model across multiple markets, creating significant long-term value as these regions develop their e-commerce ecosystems and consumer spending power increases substantially.
- ▲ Amazon's diversification across multiple high-growth business segments creates a resilient revenue model that reduces concentration risk while maximizing growth opportunities. Beyond e-commerce, the company generates substantial profits from Amazon Web Services, which dominates the cloud computing market with industry-leading infrastructure and enterprise solutions. The advertising business continues rapid expansion as brands allocate more marketing budgets to Amazon's platform, leveraging its valuable consumer data and purchase intent signals. Prime Video and streaming services add another revenue dimension while strengthening customer loyalty through bundled offerings. This multi-faceted business structure allows Amazon to capitalize on various secular growth trends simultaneously, providing multiple pathways to profitability even if individual segments face temporary headwinds or market challenges.
- ▲ Management's optimistic forward guidance reflects confidence in the company's operational efficiency improvements and market positioning across all business segments. For the fourth quarter of 2025, Amazon provided guidance reflecting continued growth expectations. The company anticipates net sales between \$206 billion and \$213 billion, representing 10% to 13% growth compared to the fourth quarter of 2024, with this guidance anticipating a favorable impact of approximately 190 basis points from foreign exchange rates. The company expects continued revenue acceleration driven by enhanced logistics capabilities, expanded AWS offerings, and growing advertising revenue streams. Operating margin expansion remains a strategic priority as Amazon leverages automation, artificial intelligence, and improved fulfillment processes to reduce costs while maintaining service quality. Operating income is expected to range between \$21 billion and \$26 billion compared to \$21.2 billion in the fourth quarter of 2024. The projected growth trajectory incorporates investments in emerging technologies and infrastructure that should yield substantial returns over the coming quarters. This positive outlook demonstrates management's ability to navigate macroeconomic uncertainties while executing on long-term strategic initiatives that strengthen Amazon's competitive advantages and market leadership position.
- ▲ Artificial intelligence integration throughout Amazon's operations represents a transformative catalyst for efficiency gains and new revenue opportunities across the entire business ecosystem. AWS provides cutting-edge AI and machine learning services to enterprise customers, positioning Amazon as a leader in the rapidly expanding generative AI market. The company deploys AI extensively in its e-commerce platform for personalized recommendations, inventory management, and dynamic pricing optimization that enhances profitability. Logistics operations benefit from AI-powered routing algorithms and warehouse automation that reduce delivery times and operational costs significantly. Amazon's substantial investments in AI infrastructure and talent development create formidable competitive barriers while unlocking innovative capabilities that drive customer engagement, operational excellence, and margin improvement across all business segments.

Amazon is benefiting from international expansion, solid outlook, diversification across segments and AI momentum are key positives.

Reasons To Sell:

- ▼ Amazon's aggressive infrastructure expansion continues to strain financial resources as the company pours billions into AI development and data center construction. The cloud computing arms race demands relentless capital deployment, with AWS infrastructure requirements growing exponentially. Management's commitment to AI capabilities necessitates substantial investments in specialized chips, computing power, and facility upgrades. These mounting expenditures compress operating margins and reduce free cash flow available for shareholders. The uncertainty surrounding return on these massive AI investments creates additional risk, as competitors like Microsoft and Google pursue similar strategies. With capital intensity showing no signs of moderating, Amazon faces a prolonged period of elevated spending that may disappoint investors seeking improved profitability and cash generation.
- ▼ Amazon's debt position has expanded significantly to fund its ambitious growth initiatives, creating financial inflexibility during uncertain economic conditions. The company carries substantial long-term obligations that require consistent cash flow to service, limiting strategic options. Rising interest rates have increased borrowing costs, making debt refinancing more expensive and reducing the appeal of leverage. This debt burden becomes particularly concerning given potential economic headwinds that could pressure consumer spending and enterprise IT budgets. The combination of heavy capital expenditure requirements and debt obligations leaves limited room for financial maneuvering. Should revenue growth decelerate or economic conditions worsen, Amazon's leveraged balance sheet could constrain investment capacity and competitive positioning while potentially necessitating difficult capital allocation decisions.
- ▼ Amazon confronts mounting competition across all major business segments, threatening market share and pricing power. In e-commerce, rivals like Walmart, Target, and emerging platforms continue enhancing their digital capabilities and delivery infrastructure. The cloud computing landscape grows increasingly crowded as Microsoft Azure and Google Cloud aggressively pursue enterprise customers with competitive pricing and innovative services. Retail media networks from competitors now challenge Amazon's advertising dominance, fragmenting digital marketing budgets. International expansion faces fierce local competition, particularly in growth markets where regional players maintain structural advantages. Streaming services compete in an oversaturated entertainment market, requiring costly content investments with uncertain returns. This multi-front competitive pressure compresses margins, escalates customer acquisition costs, and forces defensive spending that undermines profitability.
- ▼ Amazon's complex global supply chain exposes the company to significant trade policy risks and geopolitical tensions. Potential tariff implementations on imported goods could substantially increase product costs, forcing difficult choices between margin compression and price increases that might dampen consumer demand. The company's heavy reliance on Chinese manufacturing creates vulnerability to escalating U.S.-China trade friction and supply chain disruptions. Regulatory scrutiny in international markets threatens operational flexibility and growth prospects, particularly in Europe where antitrust concerns persist. Cross-border data flow restrictions could complicate AWS operations and limit cloud expansion opportunities. Political pressure for domestic manufacturing may necessitate costly supply chain restructuring. These interconnected trade and policy risks create meaningful uncertainty around Amazon's cost structure and international growth trajectory.

Amazon's rising capital expenditure, debt burden, intense competition and trade policy vulnerabilities remain major concerns.

Last Earnings Report

Amazon Q3 Earnings Beat Estimates, AWS Growth Pushes Stock Higher

Amazon.com shares jumped more than 13% in extended trading on Thursday after the company delivered third-quarter 2025 earnings of \$1.95 per share, which increased 36.4% from the year-ago quarter and beat the Zacks Consensus Estimate by 23.42%.

Net sales of \$180.1 billion rose 13.4% year over year, ahead of management's guidance of \$174-\$179.5 billion and beat the Zacks Consensus Estimate by 1.29%. Top-line growth was driven by solid momentum across the North America and International segments alongside strong growth in the Amazon Web Services ("AWS") segment.

Excluding the \$1.5 billion unfavorable impact from year-over-year changes in foreign exchange rates throughout the quarter, net sales increased 12% compared with the third quarter of 2024.

The company's profitability metrics showed notable strength, with net income reaching \$21.2 billion, up 38.2% year over year. This impressive net income growth was significantly boosted by pre-tax gains of \$9.5 billion from Amazon's investments in Anthropic.

Top-Line Details of AMZN

Product sales (41.1% of sales) increased 9.6% year over year to \$74.05 billion. Service sales (58.9% of sales) jumped 16.3% from the year-ago quarter to \$106.1 billion.

By segment, North America revenues (59% of sales) rose 11.2% from the year-ago quarter to \$106.2 billion, which beat the Zacks Consensus Estimate by 1.47%. International revenues (22.7% of sales) gained 14% year over year to \$40.8 billion, which beat the consensus mark by 0.5%.

AWS revenues (18.3% of sales) rose 20.2% year over year to \$33 billion, which beat the consensus mark by 2.01%. Cloud growth has been a key area of concern for the company, as it faces intensifying pressure from rivals Alphabet-owned Google and Microsoft, which also reported quarterly results this week. Google's cloud revenues increased 34% during the third quarter, while Microsoft Azure recorded growth of 40%.

Strengthening relationships with third-party sellers remained another positive. In the reported quarter, sales generated by third-party seller services rose 12% on a year-over-year basis to \$42.4 billion, which beat the Zacks Consensus Estimate by 1.48%.

Sales from robust advertising services increased 24% year over year to \$17.7 billion, which beat the consensus mark by 2.47%. The company announced partnerships allowing advertisers to buy ad space on Netflix, Spotify, and SiriusXM Media through Amazon Ads, expanding its advertising reach beyond its own properties. The strong performance in advertising reflected successful AI-powered optimization of the platform and growing market share in digital advertising, providing a high-margin revenue stream that supports investments in other parts of the business.

AMZN experienced 7% year-over-year growth in its physical store sales, which were \$5.57 billion in the reported quarter. The figure beat the consensus mark by 0.27%.

The company's online store sales were \$67.4 billion, up 10% year over year. The figure beat the Zacks Consensus Estimate by 1.17%.

Prime Services and Consumer Business Performance

The company's retail and consumer business demonstrated strong engagement and innovation. Rufus, Amazon's AI-powered shopping assistant, reached 250 million customers in 2025, with shoppers using Rufus showing 60% higher purchase completion rates. Amazon launched Help Me Decide, an AI feature helping customers select products using browsing activity, searches, shopping history, and preferences. Over 1.3 million independent sellers used generative AI tools to create high-quality product listings. The company also expanded Multi-Channel Fulfillment to sellers using Walmart, Shopify, and SHEIN, allowing brands to reach customers wherever they shop while leveraging Amazon's fulfillment network.

Amazon's Prime services demonstrated robust momentum in third-quarter 2025, with subscription services revenues reaching \$12.2 billion, representing 12% year-over-year growth from the prior year's \$10.8 billion. The figure beat the consensus mark by 0.36%. Prime Video and entertainment offerings showed strong momentum with several highlights. The Summer I Turned Pretty Season 3 drew more than 70 million viewers globally through seven days post-finale, delivering global viewership growth exceeding Season 2 by 65%. Thursday Night Football on Prime Video averaged 15.3 million viewers, the best performance for TNF on any network in a decade and representing a 16% increase over the prior season. Amazon debuted NBA on Prime in more than 200 countries, delivering an average audience of 1.25 million viewers in the United States during the season-opening double header. The company launched the reimagined Luna cloud gaming service at no additional cost to Prime members and continued rolling out Alexa+, which customers engage with twice as much as the original Alexa.

AWS and AI Innovations in Q3

Amazon's AI initiatives gained significant momentum during the quarter, representing a strategic priority across the company. The company launched Project Rainier, a massive AI compute cluster containing nearly 500,000 Trainium2 chips specifically designed to build and deploy Anthropic's Claude AI models. Trainium2, Amazon's custom AI chip, saw continued strong adoption and grew 150% quarter over quarter, becoming a multi-billion-dollar business that is now fully subscribed. In Amazon Bedrock, the company added new foundation models including those from OpenAI, DeepSeek, and Qwen3, as well as Anthropic's latest Claude models. The company also expanded access to Kiro, its agentic coding development environment, which attracted over 100,000 developers in the first days of preview and has more than doubled since.

FY Quarter Ending	12/31/2025
Earnings Reporting Date	Oct 30, 2025
Sales Surprise	1.29%
EPS Surprise	23.42%
Quarterly EPS	1.95
Annual EPS (TTM)	7.08

Operating Details

Operating expenses were \$162.7 billion, up 15% from the year-ago quarter. As a percentage of revenues, the figure expanded 130 basis points (bps) on a year-over-year basis to 90.3%.

The cost of sales, fulfillment and technology and infrastructure expenses increased 9.5%, 12.2% and 30.2% year over year to \$88.6 billion, \$27.6 billion and \$28.9 billion, respectively.

Sales and marketing and other operating expenses were \$11.6 billion and \$2.8 billion, respectively. General and administrative expenses increased 6% to \$2.87 billion.

Operating income came in at \$17.4 billion, flat compared to the same period last year. However, this figure included two substantial special charges, including \$2.5 billion related to a legal settlement with the Federal Trade Commission (FTC) and \$1.8 billion in estimated severance costs primarily related to planned role eliminations. Excluding these charges, operating income would have reached \$21.7 billion, representing strong operational performance. As a percentage of revenues, the figure contracted 150 basis points (bps) on a year-over-year basis to 9.7%.

North America segment operating income was \$4.78 billion, down 15.4% from the year-ago quarter. The decrease in operating income was primarily attributable to the \$2.5 billion FTC settlement charge, as excluding this item would have resulted in operating income of \$7.3 billion.

International segment operating income came in at \$1.19 billion, down 7.8% from the year-ago quarter, with results also impacted by severance costs.

AWS segment operating income was \$11.43 billion, up 9.4% from the year-ago quarter, demonstrating the segment's ability to maintain strong margins even while investing heavily in AI infrastructure.

Balance Sheet & Cash Flow

As of Sept. 30, 2025, cash and cash equivalents were \$66.9 billion, up from \$57.7 billion as of June 30, 2025.

Marketable securities totaled \$27.2 billion as of Sept. 30, 2025, down from \$35.4 billion as of June 30, 2025.

The long-term debt was \$50.7 billion at the end of the reported quarter, down from \$52.6 billion at the end of the previous quarter.

Amazon's cash flow generation remained robust, with operating cash flow increasing 16% to \$130.7 billion for the trailing 12 months compared to \$112.7 billion in the prior-year period.

However, free cash flow decreased significantly to \$14.8 billion for the trailing 12 months from \$47.7 billion due to a year-over-year increase of \$50.9 billion in property and equipment purchases. This substantial capital investment reflects Amazon's aggressive expansion of AI infrastructure, with the company adding more than 3.8 gigawatts of power capacity in the past 12 months — more than any other cloud provider — to support growing demand for its cloud and AI services.

Guidance

For the fourth quarter of 2025, Amazon provided guidance reflecting continued growth expectations. The company anticipates net sales between \$206 billion and \$213 billion, representing 10% to 13% growth compared to the fourth quarter of 2024, with this guidance anticipating a favorable impact of approximately 190 basis points from foreign exchange rates. Operating income is expected to range between \$21 billion and \$26 billion compared to \$21.2 billion in the fourth quarter of 2024.

Recent News

On Jan. 6, 2026, Amazon launched Alexa.com for browser-based assistant access and expanded Alexa+ integrations to BMW vehicles, Samsung TVs, and Bosch appliances. The company unveiled a redesigned Fire TV interface (30% faster), introduced the Ember Artline 4K QLED lifestyle TV with AI art recommendations, and announced Ring Fire Watch for fire detection and a Ring Appstore for third-party apps.

On Dec. 18, 2025, Amazon announced that Amazon Business has added even more value to the Business Prime membership program with benefits from Intuit QuickBooks, CrowdStrike, and Gusto.

On Dec. 4, 2025, AWS introduced Amazon EC2 M9g instances powered by the new Graviton5 chip.

Amazon Music announced a new episode of its U.S. edition of City Sessions, featuring a live performance from Afro-Latino Urban artist Sech, presented in collaboration with Café Bustelo.

On Dec. 3, 2025, AWS announced new Amazon Bedrock and Amazon SageMaker AI capabilities: Reinforcement Fine Tuning (RFT) in Amazon Bedrock and serverless model customization in Amazon SageMaker AI with reinforcement learning.

On Dec. 2, 2025, AWS introduced Agentforce 360 for AWS in collaboration with Salesforce. It is a powerful new offering that will run fully on the global, secure infrastructure of AWS and provide access to proven foundation models through Amazon Bedrock.

AWS announced new enhancements for Amazon Bedrock AgentCore including a policy which actively blocks unauthorized agent actions through real-time, deterministic controls that operate outside of the agent code.

AWS announced the general availability of Trainium3 UltraServers powered by the new Trainium3 chip.

AWS announced three frontier agents: Kiro autonomous agent, AWS Security Agent, and AWS DevOps Agent.

Amazon announced a comprehensive expansion of its Nova portfolio with four new models, a pioneering "open training" service that empowers organizations to build their custom model variants with Nova, and a service for creating highly reliable AI agents.

On Dec. 1, 2025, AWS announced new agentic AI capabilities in AWS Transform that broaden customers' ability to rapidly modernize legacy applications and code at scale.

Valuation

Amazon shares have returned 10.8% in the past six-month period and 12.5% over the trailing 12-month period. Stocks in the Zacks sub-industry have risen 9.3%, and the Zacks Retail-Wholesale sector has increased 7.2% in the past six-month period. Over the past year, the Zacks sub-industry and the broader sector have increased 16.4% and 11.6%, respectively.

The S&P 500 index has increased 13.3% in the past six-month period and increased 21.2% in the past year.

The stock is currently trading at 3.18X forward 12-month sales, which compares to 2.36X for the Zacks sub-industry, 1.63X for the Zacks sector and 5.29X for the S&P 500 index.

Over the past five years, the stock has traded as high as 3.73X and as low as 1.5X, with a five-year median of 2.85X. Our Neutral recommendation indicates that the stock will perform in-line with the market. Our \$259 price target reflects 3.34X forward 12-month sales.

The table below shows the summary valuation data for AMZN

Valuation Multiples - AMZN					
		Stock	Sub-Industry	Sector	S&P 500
P/S F12M	Current	3.18	2.36	1.63	5.29
	5-Year High	3.73	3.75	2.05	5.52
	5-Year Low	1.5	1.34	1.2	3.84
	5-Year Median	2.85	2.02	1.54	5.06
P/B TTM	Current	6.74	4.89	4.79	8.33
	5-Year High	20.14	15.24	11.18	9.19
	5-Year Low	5.81	4.09	4.67	6.62
	5-Year Median	8.5	5.54	6.16	8.05
EV/Sales TTM	Current	3.54	2.26	1.77	5.62
	5-Year High	4.69	4.77	2.4	5.82
	5-Year Low	1.65	1.38	1.3	3.78
	5-Year Median	3.18	2.2	1.69	5.62

As of 01/08/2026

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Top 43% (106 out of 244)

Top Peers ⁽¹⁾



Company (Ticker)	Rec	Rank
Coupage, Inc. (CPNG)	Neutral	3
Carvana Co. (CVNA)	Neutral	2
eBay Inc. (EBAY)	Neutral	3
PDD Holdings Inc. Sp... (PDD)	Neutral	3
Wayfair Inc. (W)	Neutral	3
Alibaba Group Holdin... (BABA)	Underperform	5
JD.com, Inc. (JD)	Underperform	5
MercadoLibre, Inc. (MELI)	Underperform	4

Industry Comparison ⁽¹⁾ Industry: Internet - Commerce	Industry Peers					
	AMZN	X Industry	S&P 500	BABA	CPNG	JD
Zacks Recommendation (Long Term)	Neutral	-	-	Underperform	Neutral	Underperform
Zacks Rank (Short Term)	2	-	-	5	3	5
VGM Score	B	-	-	F	C	F
Market Cap	2,632.89 B	676.27 M	40.73 B	368.58 B	41.01 B	42.50 B
# of Analysts	15	3.5	22	4	3	3
Dividend Yield	0.00%	0.00%	1.37%	0.62%	0.00%	3.30%
Value Score	D	-	-	F	C	C
Cash/Price	0.04	0.22	0.04	0.16	0.17	0.70
EV/EBITDA	20.91	3.23	15.01	12.11	32.79	2.46
PEG Ratio	2.20	1.14	2.04	2.14	NA	4.81
Price/Book (P/B)	7.12	2.92	3.44	2.38	8.65	0.99
Price/Cash Flow (P/CF)	23.30	20.96	15.54	14.29	48.13	6.27
P/E (F1)	34.60	17.80	18.81	24.05	89.80	8.99
Price/Sales (P/S)	3.81	1.37	3.07	2.63	1.22	0.24
Earnings Yield	3.19%	4.53%	5.30%	4.16%	1.11%	11.12%
Debt/Equity	0.14	0.08	0.57	0.23	0.13	0.20
Cash Flow (\$/share)	10.57	0.05	8.98	10.81	0.47	4.73
Growth Score	B	-	-	F	C	F
Hist. EPS Growth (3-5 yrs)	26.63%	20.47%	8.24%	2.37%	0.47%	43.43%
Proj. EPS Growth (F1/F0)	28.57%	29.17%	9.21%	-28.75%	-27.27%	-37.56%
Curr. Cash Flow Growth	42.81%	4.90%	7.00%	-3.78%	13.51%	33.50%
Hist. Cash Flow Growth (3-5 yrs)	27.41%	12.84%	7.49%	4.05%	27.26%	32.16%
Current Ratio	1.01	1.33	1.19	1.46	1.06	1.20
Debt/Capital	12.07%	17.01%	38.14%	19.40%	11.53%	16.46%
Net Margin	11.06%	1.41%	12.77%	12.38%	1.16%	2.46%
Return on Equity	23.62%	6.38%	17.03%	10.51%	6.95%	10.99%
Sales/Assets	1.03	1.03	0.53	0.55	1.99	1.86
Proj. Sales Growth (F1/F0)	11.80%	6.21%	5.30%	6.40%	15.50%	17.40%
Momentum Score	B	-	-	A	C	D
Daily Price Chg	1.96%	0.00%	0.01%	5.26%	-3.52%	2.20%
1 Week Price Chg	-2.59%	-0.40%	1.11%	2.30%	-3.71%	0.44%
4 Week Price Chg	6.95%	-1.08%	0.30%	-1.55%	-13.19%	0.44%
12 Week Price Chg	14.84%	-4.52%	4.41%	-6.43%	-28.73%	-9.38%
52 Week Price Chg	10.88%	-13.17%	16.95%	84.57%	0.76%	-14.55%
20 Day Average Volume	34,688,744	312,576	2,445,854	8,564,671	16,869,870	7,794,849
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(F1) EPS Est 4 week change	0.11%	0.00%	0.00%	0.00%	-56.40%	-5.77%
(F1) EPS Est 12 week change	2.48%	0.37%	0.47%	-6.74%	-57.63%	-7.45%
(Q1) EPS Est Mthly Chg	0.25%	0.00%	0.00%	0.00%	0.00%	-10.59%

Analyst Earnings Model⁽²⁾

Amazon.com, Inc. (AMZN)

In \$MM, except per share data

	2022A	2023A	2024A	2025E				2026E				2027E		
	FY	FY	FY	1QA	2QA	3QA	4QE	FY	1QE	2QE	3QE	4QE	FY	FY
FY Ends December 31st	Dec-22	Dec-23	Dec-24	31-Mar-25	30-Jun-25	30-Sep-25	31-Dec-25	Dec-25	31-Mar-26	30-Jun-26	30-Sep-26	31-Dec-26	Dec-26	Dec-27
Income Statement														
Net Product Sales	\$242,901.0	\$255,887.0	\$272,311.0	\$63,970.0	\$68,246.0	\$74,058.0	\$87,394.8	\$293,668.8	\$71,355.0	\$76,494.1	\$82,116.1	\$96,595.5	\$326,560.6	\$362,440.5
YoY % Chng	0.5%	5.3%	6.4%	5.0%	10.8%	9.6%	6.3%	7.8%	11.5%	12.1%	10.9%	10.5%	11.2%	11.0%
Net Services Sales	\$271,082.0	\$318,896.0	\$365,648.0	\$91,697.0	\$99,456.0	\$106,111.0	\$122,336.8	\$419,600.8	\$102,085.6	\$109,385.2	\$116,871.2	\$137,249.0	\$465,591.0	\$516,362.5
YoY % Chng	18.9%	17.6%	14.7%	11.3%	15.1%	16.3%	15.9%	14.8%	11.3%	10.0%	10.1%	12.2%	11.0%	10.9%
Net Sales	\$513,983.0	\$574,785.0	\$637,959.0	\$155,667.0	\$167,702.0	\$180,169.0	\$209,731.6	\$713,269.6	\$173,440.6	\$185,879.3	\$198,987.3	\$233,844.5	\$792,151.6	\$878,803.0
Constant Currency Growth (%)	13.0%	12.0%	11.0%	10.0%	12.0%	12.0%	11.7%	11.5%	11.4%	10.8%	10.4%	11.5%	11.1%	10.9%
YoY % Chng	9.4%	11.8%	11.0%	8.6%	13.3%	13.4%	11.7%	11.8%	11.4%	10.8%	10.4%	11.8%	11.1%	10.9%
Outbound Shipping Costs	\$83,520.0	\$89,480.0	\$95,849.0	\$22,495.0	\$23,370.0	\$25,384.0	\$30,242.0	\$101,491.0	\$24,669.6	\$26,333.3	\$29,300.3	\$33,635.4	\$113,938.5	\$126,716.8
YoY % Chng	8.9%	7.1%	7.1%	3.0%	6.4%	8.0%	5.9%	5.9%	9.7%	12.7%	15.4%	11.2%	12.3%	11.2%
Cost of Goods Sold	\$288,831.0	\$304,739.0	\$326,288.0	\$76,976.0	\$80,809.0	\$88,670.0	\$107,672.2	\$354,127.2	\$85,193.6	\$89,948.1	\$100,233.7	\$120,004.7	\$395,380.1	\$432,422.6
YoY % Chng	6.1%	5.5%	7.1%	6.0%	9.5%	9.5%	8.9%	8.5%	10.7%	11.3%	13.0%	11.5%	11.6%	9.4%
Gross Profit	\$225,152.0	\$270,046.0	\$311,671.0	\$78,691.0	\$86,893.0	\$91,499.0	\$102,059.4	\$359,142.4	\$88,247.0	\$95,931.1	\$98,753.5	\$113,839.8	\$396,771.5	\$446,380.4
YoY % Chng	14.0%	19.9%	15.4%	11.3%	17.1%	17.5%	14.8%	15.2%	12.1%	10.4%	7.9%	11.5%	10.5%	12.5%
Fulfillment Expense	\$84,299.0	\$90,619.0	\$98,505.0	\$24,593.0	\$25,976.0	\$27,679.0	\$31,848.0	\$110,096.0	\$27,679.3	\$29,181.3	\$30,945.5	\$36,008.9	\$123,815.0	\$137,595.6
YoY % Chng	12.2%	7.5%	8.7%	10.2%	10.2%	12.2%	13.9%	11.8%	12.5%	12.3%	11.8%	13.1%	12.5%	11.1%
Sales and Marketing	\$42,238.0	\$44,370.0	\$43,907.0	\$9,763.0	\$11,416.0	\$11,686.0	\$13,922.9	\$46,787.9	\$10,494.7	\$12,074.2	\$12,770.6	\$14,967.7	\$50,307.2	\$57,967.6
YoY % Chng	29.8%	5.0%	(1.0%)	1.0%	8.6%	10.2%	6.1%	6.6%	7.5%	5.8%	9.3%	7.5%	7.5%	15.2%
Technology and Infrastructure	\$73,213.0	\$85,622.0	\$88,544.0	\$22,994.0	\$27,166.0	\$28,962.0	\$27,053.7	\$106,175.7	\$25,992.0	\$28,885.3	\$30,594.3	\$33,907.5	\$119,379.0	\$132,686.4
YoY % Chng	30.6%	16.9%	3.4%	12.6%	21.8%	30.2%	14.8%	19.9%	13.0%	6.3%	5.6%	25.3%	12.4%	11.1%
General & Administrative	\$11,891.0	\$11,816.0	\$11,359.0	\$2,628.0	\$2,965.0	\$2,875.0	\$3,028.8	\$11,496.8	\$2,730.0	\$2,909.9	\$2,974.5	\$3,553.5	\$12,168.0	\$13,847.4
YoY % Chng	34.8%	(0.6%)	(3.9%)	(4.2%)	(2.5%)	6.0%	5.8%	1.2%	3.9%	(1.9%)	3.5%	17.3%	5.8%	13.8%
Other Operating Expense (Income), Net	\$1,263.0	\$767.0	\$763.0	\$308.0	\$199.0	\$2,875.0	\$422.6	\$3,804.6	\$396.2	\$624.7	\$1,174.9	\$746.2	\$2,942.0	\$3,662.0
YoY % Chng	1,937.1%	(39.3%)	(0.5%)	35.1%	105.2%	997.3%	140.1%	398.6%	28.6%	213.9%	(59.1%)	76.6%	(22.7%)	24.5%
Total Operating Expenses	\$501,735.0	\$537,933.0	\$569,366.0	\$137,262.0	\$148,531.0	\$162,747.0	\$183,948.3	\$632,488.3	\$152,485.7	\$163,623.4	\$178,693.5	\$209,188.5	\$703,991.2	\$778,181.7
YoY % Chng	12.8%	7.2%	5.8%	7.2%	11.4%	15.0%	10.4%	11.1%	11.1%	10.2%	9.8%	13.7%	11.3%	10.5%
EBITDA	\$73,790.0	\$109,538.0	\$143,399.0	\$36,356.0	\$40,932.0	\$39,092.0	\$48,051.1	\$164,431.1	\$39,615.8	\$44,716.8	\$42,704.4	\$48,634.3	\$175,671.4	\$195,222.1
YoY % Chng	2.5%	48.4%	30.9%	13.8%	22.4%	8.0%	14.9%	14.7%	9.0%	9.2%	9.2%	1.2%	6.8%	11.1%
D&A	\$41,921.0	\$48,663.0	\$52,795.0	\$14,262.0	\$15,227.0	\$16,796.0	\$17,447.3	\$63,732.3	\$15,059.4	\$16,009.6	\$17,418.9	\$19,310.7	\$67,798.6	\$75,487.2
YoY % Chng	22.0%	16.1%	8.5%	22.1%	26.5%	25.0%	11.6%	20.7%	5.6%	5.1%	3.7%	10.7%	6.4%	11.3%
Operating Income	\$12,248.0	\$36,852.0	\$68,593.0	\$18,405.0	\$19,171.0	\$17,422.0	\$25,783.4	\$80,781.4	\$20,954.9	\$22,255.8	\$20,293.8	\$24,656.0	\$88,160.4	\$100,621.3
YoY % Chng	(50.8%)	200.9%	86.1%	20.2%	30.7%	0.1%	21.6%	17.8%	13.9%	16.1%	16.5%	(4.4%)	9.1%	14.1%
Interest Income	\$989.0	\$2,949.0	\$4,677.0	\$1,066.0	\$1,085.0	\$1,100.0	\$1,253.5	\$4,504.5	\$1,247.3	\$1,329.8	\$1,289.1	\$1,373.7	\$5,239.9	\$6,041.2
YoY % Chng	120.8%	198.2%	58.6%	7.4%	(8.1%)	(12.4%)	0.4%	(3.7%)	17.0%	22.6%	17.2%	9.6%	16.3%	15.3%
Interest Expense	\$2,367.0	\$3,182.0	\$2,406.0	\$541.0	\$516.0	\$538.0	\$411.2	\$2,006.2	\$487.4	\$415.6	\$425.5	\$482.6	\$1,811.1	\$1,494.0
YoY % Chng	30.8%	34.4%	(24.4%)	(16.0%)	(12.4%)	(10.8%)	(27.9%)	(16.6%)	(9.9%)	(19.5%)	(20.9%)	17.4%	(9.7%)	(17.5%)
Other Income (Expense), Net	(\$16,806.0)	\$938.0	(\$2,250.0)	\$2,749.0	\$1,117.0	\$10,186.0	\$564.2	\$14,616.2	\$608.8	\$898.0	\$4,714.1	\$1,705.7	\$7,926.5	\$9,919.8
YoY % Chng	(214.8%)	105.6%	(339.9%)	202.8%	6,305.6%	37,825.9%	20.5%	749.6%	(77.9%)	(19.6%)	(53.7%)	202.3%	(45.8%)	25.1%
Total Non-Operating Income (Expense), Net	(\$18,184.0)	\$705.0	\$21.0	\$3,274.0	\$1,686.0	\$10,748.0	\$1,406.4	\$17,114.4	\$1,368.6	\$1,812.2	\$5,577.7	\$2,596.8	\$11,355.3	\$14,467.0
YoY % Chng	(237.0%)	103.9%	(97.0%)	240.9%	194.2%	1,616.9%	22.7%	81,397.3%	(58.2%)	7.5%	(48.1%)	84.6%	(33.7%)	27.4%
Pre-Tax Income	(\$5,936.0)	\$37,557.0	\$68,614.0	\$21,679.0	\$20,857.0	\$28,170.0	\$27,189.8	\$97,895.8	\$22,323.5	\$24,068.0	\$25,871.5	\$27,252.8	\$99,515.8	\$115,088.3
YoY % Chng	(115.6%)	732.7%	82.7%	67.0%	36.8%	56.2%	21.7%	42.7%	3.0%	15.4%	(8.2%)	0.2%	1.7%	15.6%
Income Tax	(\$3,217.0)	\$7,120.0	\$9,265.0	\$4,553.0	\$2,678.0	\$6,910.0	\$6,669.6	\$20,810.6	\$4,241.5	\$4,572.9	\$4,915.6	\$5,178.0	\$18,908.0	\$21,866.8
YoY % Chng	(167.1%)	321.3%	30.1%	84.6%	51.6%	1,616.9%	186.9%	124.6%	(6.8%)	70.8%	(28.9%)	(22.4%)	(9.1%)	15.6%
Tax Rate	54.2%	19.0%	13.5%	21.0%	12.8%	24.5%	24.5%	21.3%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%
Equity-Method Investment Activity, Net of Tax	(\$3.0)	(\$12.0)	(\$101.0)	\$1.0	(\$15.0)	(\$73.0)	(\$73.0)	(\$160.0)	(\$73.0)	(\$73.0)	(\$73.0)	(\$73.0)	(\$292.0)	(\$292.0)
Net Income	(\$2,722.0)	\$30,425.0	\$59,248.0	\$17,127.0	\$18,164.0	\$21,187.0	\$20,447.2	\$76,925.2	\$18,009.0	\$19,422.1	\$20,882.9	\$22,001.8	\$80,315.8	\$92,929.5
YoY % Chng	(108.2%)	1,217.7%	94.7%	64.2%	34.7%	38.2%	2.2%	29.8%	5.1%	6.9%	(1.4%)	7.6%	4.4%	15.7%
Diluted Shares Outstanding	10,189.0	10,492.0	10,721.0	10,793.0	10,806.0	10,845.0	10,845.0	10,822.3	10,845.0	10,845.0	10,845.0	10,845.0	10,845.0	10,845.0
YoY % Chng	(1.0%)	3.0%	2.2%	1.2%	0.9%	1.0%	0.7%	0.9%	0.5%	0.4%	0.0%	0.0%	0.2%	0.0%
Diluted EPS	(\$0.27)	\$2.90	\$5.53	\$1.59	\$1.68	\$1.95	\$1.89	\$7.11	\$1.66	\$1.79	\$1.93	\$2.03	\$7.41	\$8.57
YoY % Chng	(108.3%)	1,174.1%	90.7%	62.2%	33.3%	36.4%	1.4%	28.5%	4.4%	6.6%	(1.3%)	7.6%	4.2%	15.7%

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Zacks Rank

The Zacks Rank is our short-term rating system that is most effective over the one- to three-month holding horizon. The underlying driver for the quantitatively-determined Zacks Rank is the same as the Zacks Recommendation, and reflects trends in earnings estimate revisions.

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Value Score	D
Growth Score	B
Momentum Score	B
VGM Score	B

As an investor, you want to buy stocks with the highest probability of success. That means buying stocks with a Zacks Recommendation of Outperform, which also has a Style Score of an A or a B.

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