

Amazon.com Announces Fourth Quarter Sales up 38% to \$60.5 Billion

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Operating cash flow increased 7% to \$18.4 billion for the trailing twelve months, compared with \$17.3 billion for the trailing twelve months ended December 31, 2016. Free cash flow decreased to \$8.4 billion for the trailing twelve months, compared with \$10.5 billion for the trailing twelve months ended December 31, 2016. Free cash flow less lease principal repayments decreased to \$3.4 billion for the trailing twelve months, compared with \$6.5 billion for the trailing twelve months ended December 31, 2016. Free cash flow less finance lease principal repayments and assets acquired under capital leases decreased to an outflow of \$1.5 billion for the trailing twelve months, compared with an inflow of \$4.7 billion for the trailing twelve months ended December 31, 2016.

Common shares outstanding plus shares underlying stock-based awards totaled 504 million on December 31, 2017, compared with 497 million one year ago.

Fourth Quarter 2017

Net sales increased 38% to \$60.5 billion in the fourth quarter, compared with \$43.7 billion in fourth quarter 2016. Excluding the \$1.1 billion favorable impact from

year-over-year changes in foreign exchange rates throughout the quarter, net sales increased 36% compared with fourth quarter 2016.

Operating income increased 69% to \$2.1 billion in the fourth quarter, compared with operating income of \$1.3 billion in fourth quarter 2016.

Net income was \$1.9 billion in the fourth quarter, or \$3.75 per diluted share, compared with net income of \$749 million, or \$1.54 per diluted share, in fourth quarter 2016. The fourth quarter 2017 includes a provisional tax benefit for the impact of the U.S. Tax Cuts and Jobs Act of 2017 of approximately \$789 million.

Full Year 2017

Net sales increased 31% to \$177.9 billion, compared with \$136.0 billion in 2016. Excluding the \$210 million favorable impact from year-over-year changes in foreign exchange rates throughout the year, net sales increased 31% compared with 2016.

Operating income decreased 2% to \$4.1 billion, compared with operating income of \$4.2 billion in 2016.

Net income was \$3.0 billion, or \$6.15 per diluted share, compared with net income of \$2.4 billion, or \$4.90 per diluted share, in 2016.

“Our 2017 projections for Alexa were very optimistic, and we far exceeded them. We don’t see positive surprises of this magnitude very often — expect us to double down,” said Jeff Bezos, Amazon founder and CEO. “We’ve reached an important point where other companies and developers are accelerating adoption of Alexa. There are now over 30,000

skills from outside developers, customers can control more than 4,000 smart home devices from 1,200 unique brands with Alexa, and we’re seeing strong response to our new far-field voice kit for manufacturers. Much more to come and a huge thank you to our customers and partners.”

Source: [Amazon](#)