

# Summary of Amazon Quarterly Report (Q1 2025)

Amazon Q1 2025 vs Q1 2024 Financial Overview



## Key Financial Metrics

- **Net Income:** \$10.43 billion, a significant rise from \$3.17 billion in Q1 2024, driven by strong operating performance and revenue growth.
- **Earnings Per Share (EPS):** \$1.59, sharply up from \$0.31 in the same quarter last year.
- **Operating Income:** \$15.31 billion, more than triple the \$4.77 billion reported in Q1 2024.

- **Free Cash Flow (TTM):** Improved to \$50.59 billion, compared to -\$3.32 billion in the prior year.
  - **EBITDA (TTM):** \$134.96 billion, indicating robust cash-generating capacity across segments.
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## Income and Expenses

- **Total Revenue:** Rose 13% YoY to \$143.31 billion, up from \$127.36 billion, supported by growth in AWS, Advertising, and North America retail.
  - **Cost of Sales:** Increased to \$79.77 billion, reflecting higher volumes and logistics costs.
  - **Operating Expenses:** Totaled \$48.23 billion, with continued investments in technology, infrastructure, and headcount optimization.
  - **Advertising Revenue:** Reached \$11.82 billion, marking a 24% YoY increase, driven by strong demand from sellers and brand advertisers.
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## Balance Sheet Highlights

- **Total Assets:** Grew to \$624.89 billion, supported by increased cash reserves and asset utilization.
  - **Total Equity:** Rose to \$285.97 billion from \$255.65 billion, reflecting retained earnings and value creation.
  - **Working Capital:** Improved to \$11.43 billion from \$7.43 billion YoY.
  - **Tangible Book Value:** Stood at \$254.29 billion, highlighting Amazon's healthy financial position.
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## Credit Quality

- **Total Debt:** Declined slightly to \$130.9 billion, maintaining a stable leverage profile.
- **Net Debt:** Approached neutral, as cash and equivalents rose to \$78.69 billion from \$64.17 billion.
- **Capital Lease Obligations:** Remained consistent at \$78.27 billion, reflecting

long-term investments in logistics and infrastructure.

- **Liquidity Position:** Strengthened with substantial cash holdings and improved free cash flows.
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## Strategic and Operational Updates

- Continued expansion in **Amazon Web Services (AWS)**, with Q1 revenue surpassing \$25 billion, supported by growth in enterprise AI solutions.
    - Enhanced **fulfillment and delivery efficiency** through robotics and regionalization of supply chains.
    - Launched new AI offerings such as **Amazon Bedrock and Amazon Q**, further differentiating its cloud capabilities.
    - Significant growth in **Advertising Services**, now a key pillar of profitability alongside AWS.
    - Accelerated efforts in **sustainability and renewable energy projects**, including net-zero logistics initiatives.
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## Market Conditions and Outlook

- E-commerce and cloud markets showed resilience amid macro uncertainty, supported by **stable consumer demand** and enterprise digitalization.
  - Management projects **Q2 2025 revenue** between **\$159.0 billion and \$164.0 billion**, reflecting YoY growth of 7% to 11%.
  - **Operating income guidance** for Q2 stands between \$10.0 billion and \$14.0 billion, with margin improvements expected across business lines.
  - Amazon remains cautiously optimistic, citing inflation moderation, efficiency gains, and continued strength in high-margin segments like AWS and Advertising.

Images attached:

Growth Estimates

	Current Qtr.	Next Qtr.	Current Year	Next Year
AMZN	3.60%	4.65%	12.15%	17.02%
S&P 500	13.13%	2.45%	7.54%	14.08%

EPS Trend

Currency in USD	Current Qtr. (Jun 2025)	Next Qtr. (Sep 2025)	Current Year (2025)	Next Year (2026)
Current Estimate	1.31	1.49	6.2	7.27
7 Days Ago	1.31	1.49	6.19	7.26
30 Days Ago	1.32	1.5	6.19	7.27
60 Days Ago	1.41	1.59	6.31	7.56
90 Days Ago	1.42	1.6	6.34	7.6

Earnings History

Currency in USD	6/30/2024	9/30/2024	12/31/2024	3/31/2025
EPS Est.	1.03	1.14	1.48	1.36
EPS Actual	1.26	1.43	1.86	1.59
Difference	0.23	0.29	0.38	0.23
Surprise %	22.92%	25.17%	25.36%	17.08%

Revenue Estimate

Currency in USD	Current Qtr. (Jun 2025)	Next Qtr. (Sep 2025)	Current Year (2025)	Next Year (2026)
No. of Analysts	43	42	60	61
Avg. Estimate	161.78B	172.64B	694.99B	762.38B
Low Estimate	159B	167.48B	679.9B	719.93B
High Estimate	163.62B	175.93B	706.5B	796.14B
Year Ago Sales	147.98B	158.88B	637.96B	694.99B
Sales Growth (year/est)	9.33%	8.66%	8.94%	9.70%

### Earnings Estimate

Currency in USD	Current Qtr. (Jun 2025)	Next Qtr. (Sep 2025)	Current Year (2025)	Next Year (2026)
No. of Analysts	38	37	60	55
Avg. Estimate	1.31	1.49	6.2	7.27
Low Estimate	1	1.22	5.3	5.98
High Estimate	1.54	1.7	6.81	8.5
Year Ago EPS	1.26	1.43	5.53	6.2

### Valuation Measures

	Current	3/31/2025	12/31/2024	9/30/2024	6/30/2024	3/31/2024
Market Cap	2.31T	2.02T	2.32T	1.96T	2.01T	1.88T
Enterprise Value	2.35T	2.05T	2.37T	2.00T	2.06T	1.93T
Trailing P/E	35.34	34.41	46.88	44.47	54.13	62.20
Forward P/E	33.67	28.90	35.09	31.55	41.49	42.55
PEG Ratio (5yr expected)	2.40	1.60	1.80	1.77	2.06	2.44
Price/Sales	3.59	3.20	3.78	3.28	3.46	3.29
Price/Book	7.53	7.06	8.97	8.28	9.36	9.30
Enterprise Value/Revenue	3.60	3.21	3.82	3.31	3.49	3.35
Enterprise Value/EBITDA	17.35	16.55	20.89	18.80	20.89	21.54

### Revenue vs. Earnings

■ Revenue **147.98B** ■ Earnings **13.48B**



### Earnings Per Share

**+1.31 Estimate**



## Balance Sheet:

Breakdown	TTM	12/31/2024	12/31/2023	12/31/2022	12/31/2021
✓ Total Revenue	650,313,000	637,959,000	574,785,000	513,983,000	469,822,000
Cost of Revenue	330,631,000	326,288,000	304,739,000	288,831,000	272,344,000
Gross Profit	319,682,000	311,671,000	270,046,000	225,152,000	197,478,000
✓ Operating Expense	247,991,000	243,078,000	233,194,000	212,904,000	172,599,000
Operating Income	71,691,000	68,593,000	36,852,000	12,248,000	24,879,000
✓ Net Non Operating Interest I...	2,447,000	2,271,000	-233,000	-1,378,000	-1,361,000
✓ Other Income Expense	3,173,000	-2,250,000	938,000	-16,806,000	14,633,000
Pretax Income	77,310,000	68,614,000	37,557,000	-5,936,000	38,151,000
Tax Provision	11,351,000	9,265,000	7,120,000	-3,217,000	4,791,000
Earnings from Equity Interest Ne...	-15,000	-101,000	-12,000	-3,000	4,000
✓ Net Income Common Stockh...	65,944,000	59,248,000	30,425,000	-2,722,000	33,364,000
Diluted NI Available to Com Sto...	65,944,000	59,248,000	30,425,000	-2,722,000	33,364,000
Basic EPS	6.28	5.66	2.95	-0.27	3.30
Diluted EPS	6.14	5.53	2.90	-0.27	3.24
Basic Average Shares	10,525,500	10,473,000	10,304,000	10,189,000	10,120,000
Diluted Average Shares	10,751,750	10,721,000	10,492,000	10,189,000	10,300,000
Total Operating Income as Repo...	71,691,000	68,593,000	36,852,000	12,248,000	24,879,000
Total Expenses	578,622,000	569,366,000	537,933,000	501,735,000	444,943,000
Net Income from Continuing & D...	65,944,000	59,248,000	30,425,000	-2,722,000	33,364,000
Normalized Income	63,061,119.89	60,830,028.76	29,521,380.04	10,128,140	20,551,997.17
Interest Income	4,750,000	4,677,000	2,949,000	989,000	448,000
Interest Expense	2,303,000	2,406,000	3,182,000	2,367,000	1,809,000
Net Interest Income	2,447,000	2,271,000	-233,000	-1,378,000	-1,361,000
EBIT	79,613,000	71,020,000	40,739,000	-3,569,000	39,960,000
EBITDA	134,986,000	123,815,000	89,402,000	38,352,000	74,393,000
Reconciled Cost of Revenue	330,631,000	326,288,000	304,739,000	288,831,000	272,344,000
Reconciled Depreciation	55,373,000	52,795,000	48,663,000	41,921,000	34,433,000
Net Income from Continuing Op...	65,944,000	59,248,000	30,425,000	-2,722,000	33,364,000
Total Unusual Items Excluding G...	3,379,000	-1,829,000	1,115,000	-16,266,000	14,652,000
Total Unusual Items	3,379,000	-1,829,000	1,115,000	-16,266,000	14,652,000
Normalized EBITDA	131,607,000	125,644,000	88,287,000	54,618,000	59,741,000
Tax Rate for Calcs	0	0	0	0	0
Tax Effect of Unusual Items	496,119.89	-246,971.24	211,380.04	-3,415,860	1,839,997.17

## Chatgpt Conversation Link:

<https://chatgpt.com/share/6849af28-99e0-800e-93ed-583bdd3c88e9>

## Sources Used:

<https://finance.yahoo.com/quote/AMZN/balance-sheet/>