

# Amazon profits nearly triple as company reports \$143.1bn in revenue

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Profits almost tripled at Amazon in the latest quarter as consumers continued to spend heavily despite the sharp rise in interest rates. The world's largest retailer forecast that sales would continue to rise at a robust pace for the rest of the year. Growth had been knocked by surging prices and customers returning to bricks-and-mortar stores. Revenue at the company rose 13% to \$143.1bn in the three months to 30 September, clearing expectations on Wall Street. Profits surged to \$9.9bn, from \$2.9bn a year ago. Amazon – best known as the world's largest retailer – has built a sprawling digital empire around its e-commerce platform, from smart speakers to sports broadcasting. Through Amazon Web Services (AWS), it also leads the lucrative cloud computing market. Andy Jassy, who succeeded founder Jeff Bezos as chief executive two years ago, said Amazon's retail business "took another step forward" this summer. He said the impact of splitting Amazon's US fulfillment network into eight distinct regions was "exceeding our optimistic expectations". Shares in Amazon have rallied by almost 40% this year as the company recovered from last year's tech rout. The group's stock rose 3.6% during out-of-hours trading. It currently has a market value of more than \$1.2tn. While online shopping boomed at the height of the pandemic, Amazon's core retail business came under pressure as the highest inflation rate in a generation piled pressure on to its customers. Under pressure from investors to cut costs and focus on its bottom line, the company laid off 27,000 employees. In the current quarter, however, it expects total net sales of between \$160bn and \$167bn, an increase of up to 12% on the year. Amazon's workforce, which surged after the onset of Covid-19 as it embarked upon a global hiring spree, peaked at 1.62 million workers at the start of last year. It now stands at 1.5 million. Workers on Staten Island, New York, voted to form the first union at one of Amazon's US warehouses last spring, following a fiercely contested campaign. This sparked expectations that more would follow, although efforts in other locations have so far failed to bear fruit. The Federal Trade Commission and 17 state attorneys general sued Amazon last month, accusing it of having used its position in the marketplace to inflate prices on other platforms, overcharge sellers and stifle competition. Amazon described the lawsuit as wrongheaded, and warned that it would hurt consumers by leading to higher prices and slower deliveries.