Amazon.com

Accelerating Growth & Many Investment Opportunities; Lighter 3Q Profit Outlook, But Raising PT to \$1,175

3 Key Takeaways From AMZN Earnings & Mgmt Comments: The overall story coming out of AMZN's 2Q print feels a lot like it did 3 months ago-accelerating growth, stepped-up investments, & lower near-term profitability. But will anyone care about profit when AMZN is taking bigger chunks of market share? 1) AMZN has more major growth opportunities to invest into than any company we cover. Think fulfillment centers, data centers, video content & marketing, India, Echo/Alexa, Prime, grocery, & many others we're not including here. While heavier investments may not cut quite as deeply into profit as they did a few years ago thanks to 3P & AWS, 2Q GAAP operating income was ~40% below expectations & AMZN hasn't seen negative op inc (as suggested in the lower half of the 3Q outlook) since 3Q14. 2) The offset to that spend, or rather the outcome, is accelerating growth in FXN revenue & units. AMZN's FXN revenue growth accelerated 220bps to 26.5% & unit growth accelerated ~300bps to 27% driven by Prime & FBA selection. The 3Q outlook also suggests accelerating revenue growth at the high end, to ~28.4%. 3) AWS customers may be shifting more of their workload into the cloud following the most recent round of heavier price cuts. AWS FXN growth of 42% showed more stability in 2Q, only decel'ing 1 point, suggesting that enterprises may be responding to the price cuts w/greater volume, just as they did in 2014. Overall, given accelerating growth and long runway in both retail and cloud—along w/AMZN's track record—we believe many investors will look beyond lower near-term profitability. Still, we think it could cap some of the upside in AMZN shares in the very near-term. We are increasing our 2017 & 2018 revenue by 2% & 3%, but our GAAP operating income comes down 33% & 18%. We are establishing a Dec'18 PT of \$1,175, up from our prior Dec'17 PT of \$1,110, based on our SOP analysis, including a 0.75x multiple on '18E retail GMV of \$474B & 14.5x multiple on our '19E AWS EBITDA of \$14.4B.

• Top-Line Beat & Raise, But On Less Profit. 2Q revenue of \$38B (+26.5% FXN Y/Y) came in 2.5% above our \$37B estimate & above mgmt's \$35.25B-\$37.75B guide, driven by accelerating growth in both the North America & Int'l segments. AWS revenue growth of +42% Y/Y also came in ahead of our +39% estimate. AMZN's 3Q revenue guide of \$39.25B-\$41.75B was well above our \$39.8B estimate & implies further acceleration at the high-end. Turning to profit, AMZN's 2Q operating income of \$628B was 41% below our \$1.0B estimate, & the (\$400M)-\$300M 3Q guide came in well below our \$800M estimate.

Amazon.com Inc (AMZN:AMZN US)

FYE Dec	2015A	2016A	2017E	2017E	2018E	2018E
			(Prev)	(Curr)	(Prev)	(Curr)
EPS - Reported (\$)						
Q1 (Mar)	(0.12)	1.07	1.48A	1.48A	-	-
Q2 (Jun)	0.19	1.78	1.51	0.40A	-	-
Q3 (Sep)	0.17	0.52	1.10	0.29	-	-
Q4 (Dec)	1.00	1.54	2.59	1.63	-	-
FY	1.25	4.90	6.68	3.80	15.00	11.98
Bloomberg EPS FY (\$)	5.30	9.93	-	12.10	-	17.10
Source: Company data, Bloom	berg, J.P. Mor	gan estimate	es.			

Overweight

AMZN, AMZN US Price: \$1,046.00

Price Target: \$1,175.00 Previous: \$1,110.00

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		Jan-17 N share pr i00 (rebase		
Abs Rel	YTD 39.5% 28.9%	1m 7.1% 4.8%	3m 13.9% 10.3%	12m 42.0% 27.7%

-	
Company Data	
Price (\$)	1,046.00
Date Of Price	27 Jul 17
52-week Range (\$)	1,083.31-
	710.10
Market Cap (\$ mn)	514,632.00
Fiscal Year End	Dec
Shares O/S (mn)	492
Price Target (\$)	1,175.00
Price Target End Date	31-Dec-18

See page 9 for analyst certification and important disclosures, including non-US analyst disclosures.

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North America Equity Research 28 July 2017

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Summary of the Quarter

Figure 1: AMZN 2Q Results vs. J.P. Morgan Estimates

\$ in millions, except per share data

Amazon		2Q17	
(\$ in millions)	JPME	Actuals	Diff (%)
Net Sales	\$37,040	\$37,955	2.5%
North America	21,739	22,370	2.9%
International	11,289	11,485	1.7%
AWS	4,012	4,100	2.2%
Gross Profit	14,131	14,516	2.7%
GAAP Operating Income	1,068	628	-41.2%
% Margin	2.9%	1.7%	-123 bps
GAAP EPS	\$1.51	\$0.40	-73.5%
Y/Y Growth			
FXN Net Sales	24.2%	26.5%	
North America	23.0%	26.6%	
FXN International	22.0%	22.0%	
FXN AWS	39.0%	42.0%	
Gross Profit	25.9%	29.3%	
GAAP Operating Income	-16.9%	-51.1%	
GAAP EPS	-14.9%	-77.4%	

Source: J.P. Morgan estimates, Bloomberg, & company data.

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Adjusting Estimates

igure 2: Adjusting J.P. Morgan Estimates										
Amazon	3Q17	JPME	4Q17	JPME	2017	JPME	2018	JPME	2019	JPME
(\$ in millions)	Old	New	Old	New	Old	New	Old	New	Old	New
GMV	\$85,636	\$92,203	\$120,596	\$121,500	\$358,865	\$372,192	\$472,909	\$474,441	\$608,377	\$596,482
Y/Y Growth	26.9%	34.2%	32.5%	32.5%	29.0%	31.5%	31.8%	27.5%	28.6%	25.7%
% chg vs. old		7.7%		0.7%		3.7%		0.3%		-2.0%
Net Sales	\$39,819	\$41,338	\$53,210	\$54,816	\$165,783	\$169,823	\$200,724	\$207,426	\$240,583	\$249,891
Y/Y Growth	21.7%	26.4%	21.6%	25.3%	21.9%	24.9%	21.1%	22.1%	19.9%	20.5%
% chg vs. old		3.8%		3.0%		2.4%		3.3%		3.9%
FXN Y/Y Growth	23.5%	26.7%	21.1%	23.4%	23.0%	25.1%				
chg. vs. old (bps)		324		231		204				
AWS	\$4,394	\$4,446	\$4,703	\$4,807	\$16,770	\$17,015	\$22,136	\$22,630	\$28,334	\$28,966
Y/Y Growth	36.0%	37.6%	33.0%	36.0%	37.2%	39.2%	32.0%	33.0%	28.0%	28.0%
% chg vs. old		1.2%		2.2%		1.5%		2.2%		2.2%
FXN Y/Y Growth	36.0%	38.0%	33.0%	34.0%	37.3%	38.8%				
chg. vs. old (bps)		200		100		153				
Gross Profit	\$14,660	\$15,127	\$18,398	\$19,078	\$60,471	\$62,003	\$76,679	\$77,990	\$93,677	\$96,983
Y/Y Growth	27.9%	32.0%	24.4%	29.0%	26.7%	29.9%	26.8%	25.8%	22.2%	24.4%
Margin (%)	36.8%	36.6%	34.6%	34.8%	36.5%	36.5%	38.2%	37.6%	38.9%	38.8%
% chg vs. old		3.2%		3.7%		2.5%		1.7%		3.5%
GAAP Operating Income	\$800	\$291	\$1,775	\$1,170	\$4,649	\$3,094	\$10,116	\$8,269	\$14,675	\$13,658
Y/Y Growth	39.2%	-49.4%	41.4%	-6.8%	11.1%	-26.1%	117.6%	167.2%	45.1%	65.2%
Margin (%)	2.0%	0.7%	3.3%	2.1%	2.8%	1.8%	5.0%	4.0%	6.1%	5.5%
% chg vs. old		-63.6%		-34.1%		-33.4%		-18.3%		-6.9%
GAAP EPS	\$1.10	\$0.29	\$2.59	\$1.63	\$6.68	\$3.80	\$15.00	\$11.98	\$21.80	\$20.00
Y/Y Growth	112.2%	-43.8%	68.0%	6.0%	36.5%	-22.4%	124.4%	215.1%	45.3%	66.9%
% chg vs. old		-73.5%		-36.9%		-43.1%		-20.1%		-8.2%

Source: J.P. Morgan estimates.

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Investment Thesis, Valuation and Risks

Amazon.com (Overweight; Price Target: \$1,175.00)

Investment Thesis

Overweight rating. We believe Amazon is well positioned as the market leader in eCommerce, where it's still early days with US eCommerce representing $\sim 12\%$ of adjusted retail sales (ex-gas, food, and autos), which we view as likely going to 30%+ over time. We believe Amazon continues to show strong ability to take share of overall eCommerce, and its flexibility in pushing first-party vs. third-party inventory and its Prime offering both serve as major advantages. Additionally, we believe AWS is the leader in the public cloud with a $\sim 75\%$ US market share, and it remains early with only $\sim 10\%$ of workloads in the cloud today and the pace of cloud adoption accelerating in our view. High AWS profitability gives us increased confidence in the business and also drives a meaningful increase in our sum-of-the-parts valuation.

Valuation

We are establishing a Dec 2018 PT of \$1,175, up from our prior Dec'17 PT of \$1,110, based on a sum-of-the-parts analysis as we believe this methodology appropriately attributes value to the company's large, fast-growing, and profitable AWS segment, in which Amazon continues to invest.

We apply a 0.75x multiple on 2018E North America and International GMV of \$474B, which we believe is justified as large retailer peer WMT trades at ~0.5x GMV and as Amazon has a meaningfully higher growth profile. We apply a 14.5x multiple on our 2019E AWS EBITDA of ~\$14.4B, which is at a discount to other SaaS companies such as Salesforce (currently trading at ~20x CY2018E EBITDA).

Sum-of-the-Parts Analysis

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	AMZN SOP Valuation							
	Year	GMV	EBITDA	Multiple	Value			
NA & Int'l Retail	2018	474,441		0.75x	357,491			
AWS	2019	•	14,412	14.5x	208,974			
Total Value					\$566,466			
Less: Debt					7,683			
Plus: Cash					28,875			
Value to Common Shareholders					\$587,658			
Total shares outstanding					500			
Value per AMZN share					\$1,175			
Source: Company reports, J.P. Morgan estimates.								

Risks to Rating and Price Target

Downside risks include 1) heavy investment spending in AWS, infrastructure, video content, and international expansion that creates further margin pressure; 2) competition from online and offline retailers coming out with improved offerings;

3) consumer spending suffering due to macroeconomic weakness; 4) GMV decelerating more than expected; and 5) AWS price-cutting pressure on CSOI.

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Figure 3: AMZN Income Statement

\$ in thousands, except per share data

GMV	2015A 210,913,000	59,924,333	62,736,333	68,690,000	91,681,333	283,032,000	76,476,000	82,012,333	92,203,287	121,500,374	372,191,994	474,440,847	
et sales	107,007,000	29,128,000	30,404,000	32,714,000	43,741,000	135,987,000	35,714,000	37,955,000	41,338,125	54,815,575	169,822,700	207,426,301	249,891
Retail products	76,863,000	19,916,000	20,378,000	21,590,000	29,548,000	91,431,000	22,826,000	23,754,000	25,501,529	34,853,018	106,934,547	122,974,730	139,57
Retail third-party seller services	16,086,000	4,801,000	5,083,000	5,652,000	7,456,000	22,993,000	6,438,000	6,991,000	8,004,211	10,397,683	31,830,894	42,175,934	54,82
Retail subscription services	4,467,000	1,300,000	1,431,000	1,532,000	2,130,000	6,394,000	1,939,000	2,165,000	2,307,457	3,130,118	9,541,575	13,119,666	17,38
AWS	7,880,000	2,566,000	2,886,000	3,231,000	3,536,000	12,219,000	3,661,000	4,100,000	4,446,416	4,807,330	17,014,745	22,629,611	28,96
Other	1,710,000	545,000	626,000	709,000	1,071,000	2,950,000	850,000	945,000	1,078,512	1,627,426	4,500,938	6,526,360	9,1
Cost of sales	71,651,000	18,866,000	19,180,000	21,253,000	28,949,000	88,248,000	22,432,000	23,439,000	26,211,559	35,737,142	107,819,702	129,436,222	152,9
ross profit	35,356,000	10,262,000	11,224,000	11,461,000	14,792,000	47,739,000	13,282,000	14,516,000	15,126,565	19,078,433	62,002,998	77,990,080	96,9
norating expenses													
perating expenses Fulfillment	12,930,000	3,571,000	3,692,000	4,170,000	5,529,000	16,962,000	4,534,000	4,897,000	5,332,618	6,742,316	21,505,934	26,550,567	32,2
Marketing	5,062,000	1,380,000	1,466,000	1,653,000	2,411,000	6,910,000	1,826,000	2,096,000	2,356,273	2,960,041	9,238,314	11,408,447	13,7
Technology and content	11,317,000	3,209,000	3,461,000	3,701,000	4,052,000	14,423,000	4,372,000	4,916,000	5,373,956	6,194,160	20,856,116	23,231,746	27,4
General and administrative	1,523,000 2.120.000	442,000	497,000	554,000	624,000	2,117,000	709,000	755,000	767,415	909,985 1.064,400	3,141,400	3,747,621	4,3
Stock-based compensation		544,000	768,000	776,000	887,000	2,975,000	792,000	1,158,000	970,000		3,984,400	4,582,060	5,2
Amortization of other intangibles Total operating expenses	171,000 33.123.000	45,000 9,191,000	55,000 9,939,000	32,000 10,886,000	34,000 13.537.000	166,000 43.553.000	44,000 12,277,000	66,000 13,888,000	35,200 14,835,462	37,400 17,908,302	182,600 58.908.764	200,860 69,721,300	83.3
Total operating expenses	33,123,000	9,191,000	3,333,000	10,000,000	680,000	45,555,000	12,277,000	13,000,000	14,033,402	17,500,302	30,300,704	09,721,300	03,0
perating income	2,233,000	1,071,000	1,285,000	575,000	1,255,000	4,186,000	1,005,000	628,000	291,103	1,170,131	3,094,234	8,268,780	13,6
Non-GAAP Operating income (CSOI)	4,524,000	1,660,000	2,108,000	1,383,000	2,176,000	7,327,000	1,841,000	1,852,000	1,296,303	2,271,931	7,261,234	13,051,700	19,1
Interest income	49,000	21,000	24,000	26,000	30,000	101,000	39,000	44,000	44,874	50,594	178,467	236,765	2
Interest expense	(460,000)	(117,000)	(116,000)	(118,000)	(133,000)	(484,000)	(139,000)	(143,000)	(144,056)	(144,056)	(570,113)	(576,225)	(5
Other income, net	(254,000)	81,000	(14,000)	8.000	14 000	89,000	48.000	137.000	(,000)	(. 14,000)	185,000	(0,0,220)	Ι '
Total non-operating expenses, net	(665,000)	(15,000)	(106,000)	(84,000)	(89,000)	(294,000)	(52,000)	38,000	(99,183)	(93,463)	(206,645)	(339,460)	(;
come (loss) before equity-method investees	1,568,000	1,056,000	1,179,000	491,000	1,166,000	3,892,000	953,000	666,000	191,921	1,076,669	2,887,589	7,929,320	13,3
Equity in losses of equity-method investees, net	(21,000)	(68,000)	(15,000)	(10,000)	(3,000)	(96,000)	-	(2,000)			(2,000)		
come (loss) before income taxes	1,547,000	988,000	1,164,000	481,000	1,163,000	3,796,000	953,000	664,000	191,921	1,076,669	2,885,589	7,929,320	13,
rovision (benefit) for income taxes	951,000	475,000	307,000	229,000	414,000	1,425,000	229,000	467,000	47,980	269,167	1,013,147	1,982,330	3,
Effective Tax Rate	61.5%	48.1%	26.4%	47.6%	35.6%	37.5%	24.0%	70.3%	25.0%	25.0%	35.1%	25.0%	ı
come before change in acctg/ Fully Taxed Income	596,000	513,000	857,000	252,000	749,000	2,371,000	724,000	197,000	143,941	807,501	1,872,442	5,946,990	10,
umulative effect of change in acctng principle		-			-	-	70.000	407.000			4.055.11		L.,
AAP Net income (loss)	596,000	513,000	857,000	252,000	749,000	2,371,000	724,000	197,000	143,941	807,501	1,872,442	5,946,990	10,0
Basic income (loss) per share	\$1.28 \$1.25	\$1.09 \$1.07	\$1.81	\$0.53 \$0.52	\$1.57	\$5.00 \$4.90	\$1.52	\$0.41 \$0.40	\$0.30	\$1.68	\$3.91	\$12.31 \$11.98	
Diluted income (loss) per share asic shares outstanding	\$1.25 467,000	\$1.07 471,000	\$1.78 473,000	\$0.52 474,000	\$1.54 476,000	\$4.90 474,000	\$1.48 477,000	479,000	\$0.29 480,198	\$1.63 481,398	\$3.80 479,399	483,234	-
luted shares outstanding	477,000	481,000	482,800	485,000	486,000	484,000	490,000	492,000	493,230	494,463	492,423	496,363	
OAAD National (Inc.)	0.000.000	4 470 000	1 005 000	4 070 000	4 070 000	F 000 000	4 500 000	4 400 000	1 1 10 1 11	4 000 004	0.044.440	40.700.040	45
on-GAAP Net income (loss) Non-GAAP basic income (loss) per share	2,908,000	1,170,000	1,695,000	1,070,000	1,673,000	5,608,000	1,560,000	1,423,000	1,149,141	1,909,301	6,041,442	10,729,910 \$22,20	15,4
		60.40											
	\$6.23 \$6.10	\$2.48 \$2.43	\$3.58 \$3.51	\$2.26 \$2.21	\$3.51 \$3.44	\$11.83 \$11.59	\$3.27 \$3.18	\$2.97 \$2.89	\$2.39 \$2.33	\$3.97 \$3.86	\$12.60 \$12.27		
Non-GAAP diluted income (loss) per share			\$3.58 \$3.51	\$2.26 \$2.21	\$3.51 \$3.44	\$11.83 \$11.59	\$3.27 \$3.18	\$2.97 \$2.89	\$2.39 \$2.33	\$3.97 \$3.86	\$12.60 \$12.27	\$21.62	
							\$3.18				\$12.27	\$21.62	
Non-GAAP diluted income (loss) per share BITDA Reconciliation Non-GAAP Operating income (CSOI)	\$6.10 4,524,000	\$2.43 1,660,000	\$3.51 2,108,000	\$2.21 1,383,000	\$3.44 2,176,000	\$11.59 7,327,000	\$3.18 1,841,000	\$2.89 1,852,000	\$2.33 1,296,303	\$3.86 2,271,931	\$12.27 7,261,234	\$21.62 13,051,700	
Non-GAAP diluted income (loss) per share BITDA Reconciliation Non-GAAP Operating income (CSOI) Depreciation and other amortization	\$6.10 4,524,000 6,281,000	\$2.43 1,660,000 1,827,000	\$3.51 2,108,000 1,909,000	\$2.21 1,383,000 2,084,000	\$3.44 2,176,000 2,297,000	\$11.59 7,327,000 8,117,000	\$3.18 1,841,000 2,435,000	\$2.89 1,852,000 2,633,000	\$2.33 1,296,303 2,760,830	\$3.86 2,271,931 2,996,101	\$12.27 7,261,234 10,824,930	\$21.62 13,051,700 13,474,671	15,9
Non-GAAP diluted income (loss) per share BITDA Reconciliation Non-GAAP Operating income (CSOI) Depreciation and other amortization	\$6.10 4,524,000	\$2.43 1,660,000	\$3.51 2,108,000	\$2.21 1,383,000	\$3.44 2,176,000	\$11.59 7,327,000	\$3.18 1,841,000	\$2.89 1,852,000	\$2.33 1,296,303	\$3.86 2,271,931	\$12.27 7,261,234	\$21.62 13,051,700	19,1 15,9 35,0
Non-GAAP diluted income (loss) per share BITDA Reconciliation Non-GAAP Operating income (CSOI) Depreciation and other amortization	\$6.10 4,524,000 6,281,000 10,805,000	\$2.43 1,660,000 1,827,000 3,487,000	\$3.51 2,108,000 1,909,000 4,017,000	\$2.21 1,383,000 2,084,000 3,467,000	\$3.44 2,176,000 2,297,000 4,473,000	7,327,000 8,117,000 15,444,000	\$3.18 1,841,000 2,435,000 4,276,000	\$2.89 1,852,000 2,633,000 4,485,000	\$2.33 1,296,303 2,760,830 4,057,133	\$3.86 2,271,931 2,996,101 5,268,032	\$12.27 7,261,234 10,824,930 18,086,165	\$21.62 13,051,700 13,474,671 26,526,370	15,9 35 ,0
Non-GAAP diluted income (loss) per share BITDA Reconciliation Non-GAAP Operating income (CSOI) Depreciation and other amortization BITDA	\$6.10 4,524,000 6,281,000	\$2.43 1,660,000 1,827,000	\$3.51 2,108,000 1,909,000	\$2.21 1,383,000 2,084,000	\$3.44 2,176,000 2,297,000	\$11.59 7,327,000 8,117,000	\$3.18 1,841,000 2,435,000	\$2.89 1,852,000 2,633,000	\$2.33 1,296,303 2,760,830	\$3.86 2,271,931 2,996,101	\$12.27 7,261,234 10,824,930	\$21.62 13,051,700 13,474,671	15,9 35 ,0
Non-GAAP diluted income (loss) per share BITDA Reconciliation Non-GAAP Operating income (CSOI)	\$6.10 4,524,000 6,281,000 10,805,000	\$2.43 1,660,000 1,827,000 3,487,000	\$3.51 2,108,000 1,909,000 4,017,000	\$2.21 1,383,000 2,084,000 3,467,000	\$3.44 2,176,000 2,297,000 4,473,000	7,327,000 8,117,000 15,444,000	\$3.18 1,841,000 2,435,000 4,276,000	\$2.89 1,852,000 2,633,000 4,485,000	\$2.33 1,296,303 2,760,830 4,057,133	\$3.86 2,271,931 2,996,101 5,268,032	\$12.27 7,261,234 10,824,930 18,086,165	\$21.62 13,051,700 13,474,671 26,526,370	15,9
Non-GAAP diluted income (loss) per share BITDA Reconciliation Non-GAAP Operating income (CSOI) Depreciation and other amortization BITDA Y Growth of sales	\$6.10 4,524,000 6,281,000 10,805,000 2015A	\$2.43 1,660,000 1,827,000 3,487,000 3/16A	\$3.51 2,108,000 1,909,000 4,017,000 6/16A	\$2.21 1,383,000 2,084,000 3,467,000 9/16A	\$3.44 2,176,000 2,297,000 4,473,000 12/16A	\$11.59 7,327,000 8,117,000 15,444,000 2016A 27.1%	\$3.18 1,841,000 2,435,000 4,276,000 3/17A	\$2.89 1,852,000 2,633,000 4,485,000 6/17A	\$2.33 1,296,303 2,760,830 4,057,133 9/17E	\$3.86 2,271,931 2,996,101 5,268,032 12/17E 25.3%	\$12.27 7,261,234 10,824,930 18,086,165 2017E	\$21.62 13,051,700 13,474,671 26,526,370 2018E	15,9 35 ,0
Non-GAAP diluted income (loss) per share BITDA Reconciliation Non-GAAP Operating income (CSOI) Depreciation and other amortization BITDA Y Growth St sales etail products	\$6.10 4,524,000 6,281,000 10,805,000 2015A 20.2% 12.2%	\$2.43 1,660,000 1,827,000 3,487,000 3/16A	\$3.51 2,108,000 1,909,000 4,017,000 6/16A	\$2.21 1,383,000 2,084,000 3,467,000 9/16A	\$3.44 2,176,000 2,297,000 4,473,000 12/16A	\$11.59 7,327,000 8,117,000 15,444,000 2016A 27.1% 19.0%	\$3.18 1,841,000 2,435,000 4,276,000 3/17A 22.6% 14.6%	\$2.89 1,852,000 2,633,000 4,485,000 6/17A 24.8% 16.6%	\$2.33 1,296,303 2,760,830 4,057,133 9/17E 26.4% 18.1%	\$3.86 2,271,931 2,996,101 5,268,032 12/17E 25.3% 18.0%	\$12.27 7,261,234 10,824,930 18,086,165 2017E 24.9% 17.0%	\$21.62 13,051,700 13,474,671 26,526,370 2018E 22.1% 15.0%	15, 35 ,
Non-GAAP diluted income (loss) per share BITDA Reconciliation Non-GAAP Operating income (CSOI) Depreciation and other amortization BITDA Y Growth at sales stall products stall brid-party seller services	\$6.10 4,524,000 6,281,000 10,805,000 2015A 20.2% 12.2% 36.9%	\$2.43 1,660,000 1,827,000 3,487,000 3/16A	\$3.51 2,108,000 1,909,000 4,017,000 6/16A	\$2.21 1,383,000 2,084,000 3,467,000 9/16A	\$3.44 2,176,000 2,297,000 4,473,000 12/16A	7,327,000 8,117,000 15,444,000 2016A 27,1% 19.0% 42.9%	\$3.18 1,841,000 2,435,000 4,276,000 3/17A 22.6% 14.6% 34.1%	\$2.89 1,852,000 2,633,000 4,485,000 6/17A 24.8% 16.6% 37.5%	\$2.33 1,296,303 2,760,830 4,057,133 9/17E 26.4% 18.1% 41.6%	\$3.86 2,271,931 2,996,101 5,268,032 12/17E 25.3% 18.0% 39.5%	\$12.27 7,261,234 10,824,930 18,086,165 2017E 24.9% 17.0% 38.4%	\$21.62 13,051,700 13,474,671 26,526,370 2018E 22.1% 15.0% 32.5%	15,9 35 ,0
Non-GAAP diluted income (loss) per share BITDA Reconciliation Non-GAAP Operating income (CSOI) Depreciation and other amortization BITDA Y Growth at sales stall products stall third-party seller services stall subscription services	\$6.10 4.524,000 6,281,000 10,805,000 2015A 20.2% 12.2% 36.9% 61.7%	\$2.43 1,660,000 1,827,000 3,487,000 3/16A	\$3.51 2,108,000 1,909,000 4,017,000 6/16A	\$2.21 1,383,000 2,084,000 3,467,000 9/16A	\$3.44 2,176,000 2,297,000 4,473,000 12/16A	7,327,000 8,117,000 15,444,000 2016A 27.1% 19.0% 42.9% 43.1%	\$3.18 1,841,000 2,435,000 4,276,000 3/17A 22.6% 14.6% 34.1% 49.2%	\$2.89 1.852,000 2.633,000 4,485,000 6/17A 24.8% 16.6% 37.5% 51.3%	\$2.33 1,296,303 2,760,830 4,057,133 9/17E 26.4% 18.1% 41.6% 50.6%	\$3.86 2,271,931 2,996,101 5,268,032 12/17E 25.3% 18.0% 39.5% 47.0%	7,261,234 10,824,930 18,086,165 2017E 24.9% 17.0% 38.4% 49.2%	\$21.62 13.051,700 13,474,671 26,526,370 2018E 22.1% 15.0% 32.5% 37.5%	15, 35 ,
Non-GAAP diluted income (loss) per share BITDA Reconciliation Non-GAAP Operating income (CSOI) Depreciation and other amortization BITDA Y Growth It sales tetal products tall third-party seller services tall subscription services NS	\$6.10 4,524,000 6,281,000 10,805,000 2015A 20.2% 12.2% 36.9% 61.7% 69.7%	\$2.43 1,660,000 1,827,000 3,487,000 3/16A	\$3.51 2,108,000 1,909,000 4,017,000 6/16A	\$2.21 1,383,000 2,084,000 3,467,000 9/16A	\$3.44 2,176,000 2,297,000 4,473,000 12/16A	7,327,000 8,117,000 15,444,000 2016A 27.1% 19.0% 42.9% 43.1% 55.1%	\$3.18 1,841,000 2,435,000 4,276,000 3/17A 22.6% 14.6% 34.1% 49.2% 42.7%	\$2.89 1,852,000 2,633,000 4,485,000 6/17A 24.8% 16.6% 37.5% 51.3% 42.1%	\$2.33 1,296,303 2,760,830 4,057,133 9/17E 26.4% 18.1% 41.6% 50.6% 37.6%	\$3.86 2,271,931 2,996,101 5,268,032 12/17E 25.3% 18.0% 39.5% 47.0% 36.0%	7,261,234 10,824,930 18,086,165 2017E 24.9% 17.0% 38.4% 49.2% 39.2%	\$21.62 13,051,700 13,474,671 26,526,370 2018E 22.1% 15.0% 32.5% 37.5% 33.0%	15, 35 ,
Non-GAAP diluted income (loss) per share BITDA Reconciliation Non-GAAP Operating income (CSOI) Depreciation and other amortization BITDA Y Growth It sales stall products stall third-party seller services stall subscription services NS	4,524,000 6,281,000 10,805,000 2015A 20.2% 12.2% 36.9% 61.7% 69.7% 29.3%	\$2.43 1,660,000 1,827,000 3,487,000 3/16A 28.2%	\$3.51 2,108,000 1,909,000 4,017,000 6/16A 31.1%	\$2.21 1,383,000 2,084,000 3,467,000 9/16A 29.0%	\$3.44 2,176,000 2,297,000 4,473,000 12/16A	7,327,000 8,117,000 15,444,000 2016A 27,1% 19,0% 42,9% 43,1% 55,1% 72,5%	\$3.18 1,841,000 2,435,000 4,276,000 3/17A 22.6% 14.6% 34.1% 49.2% 42.2% 56.0%	\$2.89 1,852,000 2,633,000 4,485,000 6/17A 24.8% 16.6% 37.5% 51.3% 51.3%	\$2.33 1,296,303 2,760,830 4,057,133 9/17E 26.4% 18.1% 41.6% 50.6% 52.1%	2,271,931 2,996,101 5,268,032 12/17E 25.3% 18.0% 39.5% 47.0% 36.0% 52.0%	\$12.27 7,261,234 10,824,930 18,086,165 2017E 24.9% 17.0% 38.4% 49.2% 39.2% 52.6%	\$21.62 13,051,700 13,474,671 26,526,370 2018E 22.1% 15.0% 32.5% 37.5% 33.0% 45.0%	15, 35 ,
Non-GAAP diluted income (loss) per share BITDA Reconciliation Non-GAAP Operating income (CSOI) Depreciation and other amortization BITDA Y Growth It sales etail products etail third-party seller services etail subscription services WS ther It sales (excluding FX impact)	\$6.10 4,524,000 6,281,000 10,805,000 2015A 20,2% 12,2% 61,7% 69,7% 29,3% 26,1%	\$2.43 1,660,000 1,827,000 3,487,000 3/16A 28.2%	\$3.51 2,108,000 1,909,000 4,017,000 6/16A 31.1%	\$2.21 1,383,000 2,084,000 3,467,000 9/16A 29.0%	\$3.44 2,176,000 2,297,000 4,473,000 12/16A 22.4%	7,327,000 8,117,000 15,444,000 2016A 27.1% 19.0% 42.9% 43.1% 55.1% 72.5% 27.6%	\$3.18 1,841,000 2,435,000 4,276,000 3/17A 22.6% 14.6% 34.1% 49.2% 42.7% 56.0% 24.3%	\$2.89 1,852,000 2,633,000 4,485,000 6/17A 24.8% 16.6% 37.5% 51.3% 42.1% 26.5%	\$2.33 1,296,303 2,760,830 4,057,133 9/17E 26.4% 18.1% 41.6% 50.6% 37.6% 26.7%	\$3.86 2,271,931 2,996,101 5,268,032 12/17E 25.3% 18.0% 47.0% 36.0% 52.0% 23.4%	7,261,234 10,824,930 18,086,165 2017E 24.9% 17.0% 38.4% 49.2% 39.2%	\$21.62 13,051,700 13,474,671 26,526,370 2018E 22,1% 15,0% 32,5% 37,5% 33,0% 45,0% 22,1%	15,9 35 ,0
Non-GAAP diluted income (loss) per share BITDA Reconciliation Non-GAAP Operating income (CSOI) Depreciation and other amortization BITDA Y Growth It sales tail products tatal third-party seller services tail subscription services W S ther It sales (excluding FX impact) Cost of sales	4,524,000 6,281,000 10,805,000 2015A 20.2% 36.9% 61.7% 69.7% 29.3% 26.1%	\$2.43 1,660,000 1,827,000 3,487,000 3/16A 28.2%	\$3.51 2,108,000 1,909,000 4,017,000 6/16A 31.1%	\$2.21 1,383,000 2,084,000 3,467,000 9/16A 29.0%	\$3.44 2,176,000 2,297,000 4,473,000 12/16A 22.4%	7,327,000 8,117,000 15,444,000 2016A 27.1% 19.0% 42.9% 43.1% 55.1% 72.5% 27.6% 23.2%	\$3.18 1,841,000 2,435,000 4,276,000 3/17A 22.6% 34.1% 49.2% 56.0% 24.3% 56.0%	\$2.89 1,852,000 2,633,000 4,485,000 6/17A 24.8% 16.6% 37.5% 42.1% 51.3% 42.1% 51.0% 26.5% 22.2%	\$2.33 1,296,303 2,760,830 4,057,133 9/17E 26.4% 18.1% 41.6% 50.6% 37.6% 52.1% 26.7% 23.3%	2,271,931 2,996,101 5,268,032 12/17E 25,3% 18.0% 39.5% 47.0% 36.0% 52.0% 23.4% 23.4%	7,261,234 10,824,930 18,086,165 2017E 24.9% 17.0% 38.4% 49.2% 39.2% 52.6% 25.1% 22.2%	\$21.62 13,051,700 13,474,671 26,526,370 2018E 22.1% 15.0% 32.5% 37.5% 33.0% 45.0% 22.1% 20.0%	15,9 35 ,0
Non-GAAP diluted income (loss) per share BITDA Reconciliation Non-GAAP Operating income (CSOI) Depreciation and other amortization BITDA Y Growth et sales etail products etail third-party seller services etail subscription services WS her et sales (excluding FX impact) Cost of sales ross profit	4.524,000 6.281,000 10,805,000 2015A 20.2% 12.2% 36.9% 61.7% 69.7% 29.3% 26.1% 14.2%	\$2.43 1,660,000 1,827,000 3,487,000 3/16A 28.2%	\$3.51 2,108,000 1,909,000 4,017,000 6/16A 31.1%	\$2.21 1,383,000 2,084,000 3,467,000 9/16A 29.0%	\$3.44 2.176,000 2,297,000 4,473,000 12/16A 22.4% 23.9% 29.7%	\$11.59 7.327,000 8,117,000 15,444,000 2016A 27.1% 19.0% 42.9% 43.1% 55.1% 72.5% 27.6% 23.2% 35.0%	\$3.18 1,841,000 2,435,000 4,276,000 3/17A 22.6% 14.6% 34.1% 49.2% 42.7% 56.0% 24.3% 18.9%	\$2.89 1.852,000 2.633,000 4,485,000 6/17A 24.8% 16.6% 37.5% 51.3% 42.1% 42.1% 26.5% 22.2% 29.3%	\$2.33 1.296,303 2,760,830 4,057,133 9/17E 26.4% 18.1% 41.6% 50.6% 37.6% 52.1% 26.7% 23.3%	\$3.86 2,271,931 2,996,101 5,268,032 12/17E 25.3% 18.0% 39.5% 47.0% 36.0% 52.0% 23.4% 29.0%	\$12.27 7,261,234 10,824,930 18,086,165 2017E 24.9% 17.0% 38.4% 49.2% 39.2% 52.6% 25.1% 22.2% 29.9%	\$21.62 13,051,700 13,474,671 26,526,370 2018E 22,1% 15.0% 32.5% 37.5% 37.5% 37.5% 45.0% 22.1% 20.0% 25.8%	15,9 35 ,0
Non-GAAP diluted income (loss) per share BITDA Reconciliation Non-GAAP Operating income (CSOI) Depreciation and other amortization BITDA Y Growth It sales stali products stali products stali britd-party seller services stali subscription services WS her t stales (excluding FX impact) Cost of sales coss profit Fulfilliment	4,524,000 6,281,000 10,805,000 2015A 20,2% 12,2% 36,9% 61,7% 69,7% 29,3% 26,1% 14,2% 34,8% 24,4%	\$2.43 1,660,000 1,827,000 3,487,000 3/16A 28.2% 29.1% 22.5% 40.2% 33.8%	\$3.51 2,108,000 1,909,000 4,017,000 6/16A 31.1% 30.4% 26.5% 39.9% 34.5%	\$2.21 1,383,000 2,084,000 3,467,000 9/16A 29.0% 28.8% 26.8% 33.2% 34.2%	2,176,000 2,297,000 4,473,000 12/16A 22.4% 23.9% 18.9% 29.7%	7,327,000 8,117,000 15,444,000 2016A 27,1% 19,0% 42,9% 43,1% 55,1% 72,5% 27,6% 23,2% 35,0% 31,2%	\$3.18 1,841,000 2,435,000 4,276,000 3/17A 22.6% 14.6% 34.1% 49.2% 42.7% 55.0% 24.3% 18.9% 29.4% 27.0%	\$2.89 1.852,000 2.633,000 4.485,000 6/17A 24.8% 16.6% 37.5% 51.3% 42.1% 51.0% 22.2% 29.3% 20.5% 22.2%	\$2.33 1,296,303 2,760,830 4,057,133 9/17E 26.4% 18.1% 41.6% 50.6% 37.6% 52.1% 26.7% 23.3% 32.0% 27.9%	\$3.86 2,271,931 2,996,101 5,268,032 12/17E 25.3% 18.0% 39.5% 47.0% 36.0% 52.0% 23.4% 29.0% 21.9%	\$12.27 7.261,234 10.824,930 18,086,165 2017E 24.9% 17.0% 38.4% 49.2% 39.2% 52.6% 29.9% 26.6%	\$21.62 13.051,700 13.474,671 26,526,370 2018E 22.1% 15.0% 32.5% 37.5% 33.0% 45.0% 22.1% 20.0% 25.8% 23.5%	15, 35 ,
Non-GAAP diluted income (loss) per share BITDA Reconciliation Non-GAAP Operating income (CSOI) Depreciation and other amortization BITDA Y Growth It sales stall products stall briti-party seller services stall subscription services WS her It sales (excluding FX impact) Cost of sales coss profit Fulfillment Marketing	4,524,000 6,281,000 10,805,000 2015A 20,2% 12,2% 36,9% 61,7% 69,7% 29,3% 26,1% 14,2% 34,8% 24,4% 20,3%	\$2.43 1,660,000 1,827,000 3,487,000 3/16A 28.2% 29.1% 22.5% 40.2% 33.8% 31.7%	\$3.51 2,108,000 1,909,000 4,017,000 6/16A 31.1% 30.4% 26.5% 39.9% 34.5% 33.3%	\$2.21 1.383,000 2,084,000 3,467,000 9/16A 29.0% 28.8% 26.8% 33.2% 34.2% 35.9%	\$3.44 2,176,000 2,297,000 4,473,000 12/16A 22.4% 23.9% 29.7% 25.4% 42.0%	7,327,000 8,117,000 15,444,000 2016A 27,1% 19,0% 42,9% 43,1% 55,1% 72,5% 27,6% 23,2% 35,0% 31,2%	\$3.18 1,841,000 2,435,000 4,276,000 3/17A 22.6% 14.6% 34.1% 34.1% 49.2% 42.7% 55.0% 24.3% 18.9% 27.0% 27.0% 22.3%	\$2.89 1.852,000 2.633,000 4,485,000 6/17A 24.8% 16.6% 37.5% 51.3% 42.1% 51.0% 26.5% 22.2% 29.3% 32.6% 43.0%	\$2.33 1,296,303 2,760,830 4,057,133 9/17E 26.4% 41.6% 50.6% 52.1% 23.3% 32.0% 42.5%	\$3.86 2.271,931 2.996,101 5,268,032 12/17E 25.3% 18.0% 52.0% 52.0% 23.4% 23.4% 21.9% 21.9% 21.9%	\$12.27 7,261,234 10,824,930 18,086,165 2017E 24.9% 17.0% 38.4% 49.2% 52.6% 25.1% 22.2% 29.9% 26.8% 33.7%	\$21.62 13.051,700 13.474,671 26,526,370 2018E 22.1% 15.0% 45.0% 45.0% 22.1% 20.0% 23.5% 23.5% 23.5% 23.5% 23.5%	15, 35 ,
Non-GAAP diluted income (loss) per share BITDA Reconciliation Non-GAAP Operating income (CSOI) Depreciation and other amortization BITDA Y Growth It sales etail products etail third-party seller services etail subscription services WS her It sales (excluding FX impact) Cost of sales ross profit Fulfillment Marketing Technology and content	4,524,000 6,281,000 10,805,000 2015A 20,2% 12,2% 61,7% 69,7% 29,3% 14,2% 34,8% 24,4% 20,3% 33,6%	\$2.43 1,660,000 1,827,000 3,487,000 3/16A 28.2% 28.2% 40.2% 33.8% 31.7% 27.3%	\$3.51 2,108,000 1,909,000 4,017,000 6/16A 31.1% 30.4% 26.5% 31.3% 34.5% 33.3% 28.15%	\$2.21 1,383,000 2,084,000 3,467,000 9/16A 29.0% 28.8% 26.8% 33.2% 34.2% 35.2% 28.2%	\$3.44 2,176,000 2,297,000 4,473,000 12/16A 22.4% 23.9% 18.9% 25.4% 42.0% 26.3%	\$11.59 7,327,000 8,117,000 15,444,000 2016A 27,1% 19,0% 42,9% 42,19% 55,1% 57,5% 27,6% 31,2% 96,5% 27,4%	\$3.18 1,841,000 2,435,000 4,276,000 3/17A 22.6% 14.6% 34.1% 49.2% 62.7% 56.0% 24.3% 18.9% 29.4% 27.0% 32.3% 33.3%	\$2.89 1,852,000 2,633,000 4,485,000 6/17A 24.8% 16.6% 37.5% 51.3% 42.1% 52.2% 22.2% 32.6% 43.0% 42.0%	\$2.33 1,296,303 2,760,830 4,057,133 9/17E 26.4% 41.6% 50.6% 37.6% 62.1%	\$3.86 2.271,931 2.996,101 5.268,032 12/17E 25.3% 18.0% 39.5% 47.0% 36.0% 56.0% 23.4% 21.9% 21.9% 22.8% 52.9%	7,261,234 10,824,930 18,086,165 2017E 24,9% 17,0% 38,4% 49,2% 39,2% 52,6% 25,1% 22,2% 26,8% 33,7% 44,6%	\$21.62 13.051,700 13.474,671 26,526,370 2018E 22.1% 15.0% 32.5% 33.0% 42.1% 20.0% 22.1% 23.5% 23.5% 23.5% 23.5%	15, 35 ,
Non-GAAP diluted income (loss) per share BITDA Reconciliation Non-GAAP Operating income (CSOI) Depreciation and other amortization BITDA Y Growth It sales stall products stall britd-party seller services stall subscription services Wish Y Growth It sales stall subscription services Wish For the sales Cost of sales Toost of sales Toost of profit Fulfillment Marketing Technology and content General and administrative	4,524,000 6,281,000 10,305,000 2015A 20,2% 12,2% 36,9% 61,7% 69,7% 29,3% 26,1% 14,2% 24,4% 24,4% 20,3% 33,36%	\$2.43 1.660,000 1.827,000 3,487,000 3/16A 28.2% 28.2% 29.1% 22.5% 40.2% 33.8% 47.3% 16.9%	\$3.51 2,108.000 1,909.000 4,017,000 6/16A 31.1% 30.4% 26.5% 39.9% 34.5% 33.3% 28.1% 22.7%	\$2.21 1,383,000 2,084,000 3,467,000 9/16A 29.0% 28.8% 26.8% 31.2% 34.2% 35.9% 28.2% 39.2%	23.9% 23.97.000 22.4% 22.4% 23.9% 24.0% 25.4%	7,327,000 8,117,000 15,444,000 2016A 27,1% 19,0% 43,1% 55,1% 72,5% 27,6% 31,2% 36,5% 27,4% 31,2% 36,5% 27,4%	\$3.18 1.841,000 4.276,000 3/17A 22.6% 14.6% 49.2% 49.2% 42.7% 56.0% 24.3% 18.9% 29.4% 27.0% 32.3% 36.2% 66.2%	1,852,000 2,633,000 4,485,000 6/17A 24.8% 51.3% 42.1% 51.0% 22.2% 29.3% 32.6% 42.0% 51.9%	\$2.33 1,296,303 2,760,830 4,057,133 9/17E 26.4% 50.6% 52.1% 52.1% 52.1% 42.5% 42.5% 42.5% 45.2% 38.5%	\$3.86 2,271,931 2,996,101 5,268,032 12/17E 25.3% 18.0% 93.5% 47.0% 52.0% 52.0% 23.4% 23.4% 22.8% 52.9% 45.8% 52.9%	7,261,234 10,824,930 18,086,165 2017E 24.9% 17.0% 39.2% 49.2% 39.2% 26.1% 26.1% 26.3% 27.2% 28.4% 44.6% 46.4%	\$21.62 13.051,700 13.474,671 26,526,370 2018E 22.1% 15.0% 27.5% 33.0% 22.1% 20.0% 23.5% 11.4% 19.1%	15, 35 ,
Non-GAAP diluted income (loss) per share BITDA Reconciliation Non-GAAP Operating income (CSOI) Depreciation and other amortization BITDA Y Growth It sales etail trid-party seller services etail products etail trid-party seller services etail subscription services WS ther It sales (excluding FX impact) Cost of sales ross profit Fulfillment Marketing Technology and content General and administrative date ass (excluding TX impact)	4.524,000 6.281,000 10,805,000 2015A 20.2% 12.2% 36.9% 61.7% 69.7% 29.3% 26.1% 14.2% 34.8% 24.4% 20.3% 33.6% 12.0%	\$2.43 1,660,000 1,827,000 3,487,000 3/16A 28.2% 29.1% 22.5% 40.2% 33.8% 31.7% 27.3% 16.9% 30.0%	\$3.51 2,108,000 1,909,000 4,017,000 6/16A 31.1% 30.4% 26.5% 31.9% 34.5% 33.3% 28.1% 22.7% 31.2%	\$2.21 1,383,000 2,084,000 3,467,000 9/16A 29,0% 26,8% 36,2% 31,2% 32,2% 32,2% 32,2% 32,2%	23.9% 18.9% 23.9% 23.9% 23.9% 24.7% 25.4% 25.4% 26.3% 26.3% 26.3% 26.3% 26.3% 26.3% 26.3%	7.327,000 8,117,000 15,444,000 2016A 22,1% 19,0% 42,9% 43,1% 55,1% 72,5% 23,2% 31,2% 36,5% 31,2% 39,0% 31,1%	1,841,000 2,435,000 4,276,000 3/17A 22,65 14,65% 14,65% 14,65% 14,65% 15,95% 22,35% 18,95% 22,35% 36,25% 36,25% 36,25% 37,05% 37,05% 38,25% 38	\$2.89 1,852,000 2,633,000 4,485,000 6/17A 24,8% 16,6% 17,5% 10,0% 22,2% 22,2% 22,2% 23,26% 43,0% 43,0% 51,9% 33,5% 32,6% 33,6% 33,6% 33,6% 33,6% 34,0% 34,	\$2.33 1,296,303 2,760,830 4,057,133 9/17E 26.4% 18.1% 41.6% 50.6% 37.6% 22.79% 42.5% 45.2% 38.5% 37.2%	\$3.86 2.271,931 2.996,101 5.268,032 12/17E 25.3% 18.0% 95.5% 47.0% 60.0% 23.4% 23.4% 22.9% 21.9% 22.8% 52.9% 43.8%	7,261,234 10,824,930 18,086,165 2017E 24,9% 17,07% 93,27% 52,65% 52,65% 52,65% 52,65% 54,47% 54,47% 54,47% 55,55%	\$21.62 13.051,700 13.474,671 26.526,370 2018E 22.1% 15.0% 32.5% 33.0% 45.00% 22.1% 20.0% 23.5% 23.5% 23.5% 23.5% 23.5% 24.6% 24.6% 24.6% 25.6% 25.6% 25.6% 26.6% 2	15, 35 ,
Non-GAAP diluted income (loss) per share BITDA Reconciliation Non-GAAP Operating income (CSOI) Depreciation and other amortization BITDA Y Growth It sales stail products stail britd-party seller services stail subscription services WS ther It sales (excluding FX impact) Cost of sales ross profit Fulfillment Marketling Technology and content General and administrative ytal cash operating expenses perating income	4,524,000 6,281,000 10,805,000 2015A 20,2% 12,2% 36,9% 61,7% 69,7% 29,3% 26,1% 24,4% 20,3% 33,6% 14,2% 24,4% 20,3% 31,6% 14,2% 15,2% 16,2%	\$2.43 1.660,000 1.827,000 3.487,000 3.16A 28.2% 29.1% 22.5% 40.2% 33.8% 31.7% 27.3% 16.9% 30.0% 30.0%	\$3.51 2,108,000 1,909,000 4,017,000 6/16A 31.1% 26.5% 39.9% 31.3% 22.7% 31.2% 17.69%	\$2.21 1,383,000 2,084,000 3,467,000 9/16A 29.0% 28.8% 26.8% 33.2% 35.9% 28.2% 35.9% 28.2% 41.6%	2.176,000 2,297,000 4,473,000 12/16A 22.4% 23.9% 18.9% 29.7% 20.5% 42.0% 26.3% 82.5% 30.7% 13.3%	\$11.59 7.327,000 8,117,000 15,444,000 2016A 27.1% 19.0% 42.9% 43.1% 51.5% 27.6% 23.2% 36.5% 23.2% 36.5% 27.4% 39.0% 31.1%	\$3.18 1.841,000 4,276,000 3/17A 22.6% 14.6% 34.1% 49.2% 42.7% 56.0% 24.3% 18.9% 29.4% 27.0% 30.0% 30.0% 30.0%	1,852,000 2,633,000 4,485,000 6/17A 24.8% 51.3% 42.1% 51.0% 22.2% 42.2% 42.3% 43.0% 42.0% 43.0% 42.0% 51.9% 51.9%	\$2.33 1,296,303 2,760,830 4,057,133 9/17E 26.4% 50.6% 52.1% 62.1% 23.3% 32.0% 22.9% 42.5% 45.5% 33.5% 37.2% 45.5%	\$3.86 2,271,931 2,996,101 5,268,032 12/17E 25.3% 47.0% 39.5% 47.0% 52.0% 52.0% 52.0% 23.4% 29.0% 21.9% 22.8% 52.9%	7,261,234 10,824,930 18,086,165 2017E 24.9% 17.0% 38.4% 49.2% 39.2% 52.6% 28.1% 22.2% 29.9% 46.8% 33.7% 44.6% 48.4%	\$21.62 13.051,700 13.474,671 26.526,370 2018E 22.1% 15.0% 22.5% 37.5% 33.0% 45.0% 22.1% 20.0% 23.5% 13.5% 23.5% 23.5% 24.5% 25.5% 24.5% 25.5% 26.5% 27	15, 35 ,
Non-GAAP diluted income (loss) per share BITDA Reconciliation Non-GAAP Operating income (CSOI) Depreciation and other amortization BITDA Y Growth et sales etail products etail third-party seller services etail subscription services WS ws ther et sales (excluding FX impact) Cost of sales ross profit Fulfillment Marketing Technology and content General and administrative stal cash operating expenses pereating income on-GAAP Operating income	4,524,000 6,281,000 10,805,000 2015A 20,2% 12,2% 36,9% 61,7% 69,7% 29,3% 26,1% 14,2% 34,8% 24,4% 20,3% 33,6% 12,0% 15,0% 11,50%	\$2.43 1,660,000 1,827,000 3,487,000 3/16A 28.2% 29.1% 22.5% 40.2% 33.6% 31.7% 27.3% 16.9% 30.0% 30.0%	\$3.51 2,108.000 1,909.000 4,017,000 6/16A 31.1% 30.4% 26.5% 39.9% 34.5% 33.3% 28.1% 22.7% 31.2% 96.1%	\$2.21 1,383,000 2,084,000 3,467,000 9/16A 29.0% 28.8% 33.2% 34.2% 35.9% 28.2% 39.2% 41.6% 39.3%	2.176,000 2,297,000 4,473,000 12/16A 22.4% 23.9% 25.4% 42.0% 26.3% 82.5% 30.7% 13.3% 24.3%	7,327,000 8,117,000 15,444,000 2016A 27,1% 19,0% 43,1% 55,1% 72,5% 27,6% 21,2% 35,0% 21,2% 31,2%	\$3.18 1.841,000 4.276,000 4.276,000 3/17A 22.6% 14.6% 34.1% 49.2% 42.7% 56.0% 24.3% 18.9% 29.4% 27.0% 32.3% 66.0% 33.0% 66.2% 66.2%	1,852,000 2,633,000 4,485,000 6/17A 24.8% 16.6% 37.5% 42.1% 51.0% 26.5% 22.2% 43.0% 42.0% 51.9% 42.0% 51.9% 43.0%	\$2.33 1,296,303 2,760,830 4,057,133 9/17E 26.4% 41.6% 50.6% 37.6% 52.1% 26.7% 27.9% 42.5% 45.2% 38.5% 47.2% 49.4% 49.4%	\$3.86 2,271,931 2,996,101 5,268,032 12/17E 25.3% 18.0% 39.5% 47.0% 52.0% 23.4% 29.0% 21.9% 52.9% 45.8% 52.9% 45.8%	7,261,234 10,824,930 18,086,165 2017E 24.9% 17.0% 38.4% 49.2% 99.2% 26.8% 25.1% 22.2% 29.9% 44.6% 44.6% 45.6% 26.1% 26.1%	\$21.62 13.051,700 13.474,671 26,526,370 2018E 22.1% 15.0% 32.5% 33.0% 45.0% 22.1% 22.1% 22.1% 14.9% 14	15, 35 ,
Non-GAAP diluted income (loss) per share BITDA Reconciliation Non-GAAP Operating income (CSOI) Depreciation and other amortization BITDA Y Growth It sales stali products to stali products to staling to	4,524,000 6,281,000 10,805,000 2015A 20,2% 12,2% 36,9% 61,7% 69,7% 29,3% 26,1% 24,4% 20,3% 11,2% 33,6% 12,0% 1154,5% 150,2%	\$2.43 1,660,000 1,827,000 3,487,000 3/16A 28.2% 29.1% 22.5% 40.2% 33.8% 31.7% 27.3% 16.9% 30.0% 320.0%	\$3.51 2,108,000 1,909,000 4,017,000 6/16A 31.1% 30.4% 26.5% 39.9% 33.3% 22.7% 31.5% 176.9% 96.1%	\$2.21 1,383,000 2,084,000 3,467,000 9/16A 29.0% 28.8% 26.8% 33.2% 35.9% 28.2% 39.2% 39.2% 39.2% 39.2% 39.2% 39.2% 39.2% 39.2% 39.2% 39.2% 39.2% 39.2% 39.2%	23.9% 23.9% 23.9% 23.9% 23.9% 24.7% 24.7% 25.4% 25.4% 26.3%	7.327,000 8.117,000 15,444,000 2016A 27,1% 19.0% 42.9% 43.1% 55.1% 72.5% 22.6% 35.0% 31.2% 36.5% 27.4% 39.0% 31.2% 65.5% 27.5% 62.0% 27.5%	\$3.18 1,841,000 2,435,000 4,276,000 3/17A 22,6% 14,6% 34,1% 49,2% 42,7% 56,0% 22,3% 36,2% 60,4% 33,0% 62,2% 60,4% 18,9% 62,2% 60,4% 18,9% 61,9	1,852,000 2,633,000 4,485,000 6/17A 24.8% 16.6% 37.5% 51.3% 42.1% 51.0% 22.2% 43.0% 42.0% 51.9% 51.1% 72.1% 77.0%	\$2.33 1,296,303 2,760,830 4,057,133 9/17E 26.4% 50.6% 50.6% 52.1% 62.7% 62.1% 23.3% 42.5% 45.2% 38.5% 37.2% 45.2% 46.3%	\$3.86 2,271,931 2,996,101 5,268,032 12/17E 25.3% 47.0% 52.0% 52.0% 52.0% 52.0% 52.9%	7,261,234 10,824,930 18,086,165 2017E 24,9% 17,006 38,4% 49,2% 52,6% 52,1% 22,2% 22,2% 28,9% 48,4% 48,4% 48,5% 48,4% 48,5% 48,4% 48,5% 48,	\$21.62 13.051,700 13.474,671 26,526,370 2018E 22.1% 15.0% 92.5% 97.5% 93.5% 94.50% 94.	15, 35 ,
Non-GAAP diluted income (loss) per share BITDA Reconciliation Non-GAAP Operating income (CSOI) Depreciation and other amortization BITDA Y Growth It sales stall products stall britd-party seller services stall subscription services WS her to sales (excluding FX impact) Cost of sales ross profit Fuffillment Marketing Technology and content General and administrative stall cash operating expenses perating income DAP Net income Dar-GAAP Operating income AAP Net income	4,524,000 6,281,000 10,805,000 2015A 20,2% 12,2% 36,9% 61,7% 69,7% 29,3% 26,1% 14,2% 34,8% 24,4% 20,3% 33,6% 12,0% 15,0% 11,50%	\$2.43 1,660,000 1,827,000 3,487,000 3/16A 28.2% 28.2% 29.1% 22.5% 40.2% 33.8% 27.3% 16.9% 30.0% 30.0% 135.1% NA	\$3.51 2,108,000 1,909,000 4,017,000 6/16A 31.1% 30.4% 26.5% 39.9% 34.5% 31.2% 71.69% 96.1% 831.5% 139.7%	\$2.21 1,383,000 2,084,000 9/16A 29.0% 28.8% 26.8% 32.2% 34.2% 34.2% 35.9% 28.2% 39.2% 30.2% 30.2% 30.2% 30.2% 3	23.9% 23.97.000 22.4% 22.4% 23.9% 25.4% 26.3% 26.3% 26.3% 26.3% 26.3% 26.3% 26.3% 26.3% 26.3% 26.3% 42.0% 36.3% 42.0%	7,327,000 8,117,000 15,444,000 2016A 27,1% 19,0% 43,1% 55,1% 72,5% 27,6% 31,2% 96,5% 27,4% 31,1% 62,0% 62,0% 62,0% 92,8%	\$3.18 1.841,000 4.276,000 4.276,000 3/17A 22.6% 14.6% 49.2% 49.2% 42.7% 56.0% 24.3% 18.9% 29.4% 27.0% 30.3% 60.4% 30.0% 41.1% 33.3% 41.1%	1,852,000 2,833,000 4,485,000 6/17A 24.8% 51.3% 51.0% 51.0% 22.2% 29.3% 32.6% 42.0% 51.9% 42.0% 51.9% 42.0% 51.9%	\$2.33 1,296,303 2,760,830 4,057,133 9/17E 26.4% 50.6% 50.6% 52.1% 53.1% 54.2	\$3.86 2.271,931 2.996,101 5.268,032 12/17E 25.3% 18.0% 93.5% 47.0% 62.0% 62.0% 62.9% 62.9% 45.8% 63.2% 6.8% 44.4% 7.8%	7,261,234 10,824,930 18,086,165 2017E 24.9% 17.0% 39.2% 49.2% 39.2% 26.5% 26.5% 26.5% 44.6% 44.6% 44.6% 46.6% 27.0% 28.6% 29.9% 46.6% 47.0% 48.4	\$21.62 13.051,700 13.474,671 26,526,370 2018E 22.1% 15.0% 22.5% 37.5% 33.0% 45.0% 22.1% 23.5% 11.4% 19.20 19	15, 35 ,
Non-GAAP diluted income (loss) per share INTDA Reconciliation Non-GAAP Operating income (CSOI) Depreciation and other amortization INTDA Y Growth It sales Ital products Ital products Ital products Ital products Ital subscription services VS Per It sales (excluding FX impact) Cost of sales soas (excluding FX impact) Cost of sales Technology and content General and administrative Ital cash operating expenses Perental cash operating expenses Perental proome In-GAAP Operating income In-GAAP Net income In-GAAP Net income In-GAAP Net income In-GAAP Net income In	4,524,000 6,281,000 10,805,000 2015A 20.2% 12.2% 61.7% 69.7% 29.3% 26.1% 24.4% 20.3% 115.2% 115.2% NA	\$2.43 1,660,000 1,827,000 3,487,000 3/16A 28.2% 29.1% 22.5% 40.2% 33.8% 31.7% 27.3% 30.0% 320.0% 135.1% NA	\$3.51 2,108,000 1,909,000 4,017,000 6/16A 31.1% 30.4% 26.5% 39.9% 34.5% 34.5% 32.1% 22.7% 31.2% 16.9% 96.1% 831.5%	\$2.21 1,383,000 2,084,000 3,467,000 9/16A 29.0% 28.8% 26.8% 33.2% 34.2% 35.9% 26.2% 39.2% 39.2% 39.2% 41.6% 39.0% 59.0% 59.0% 59.0%	23.9% 18.9% 22.4% 23.9% 22.4% 23.9% 24.0% 25.4% 25.4% 26.3%	7.327,000 8,117,000 8,117,000 15,444,000 2016A 27,1% 19,0% 42,9% 43,1% 55,1% 72,5% 23,2% 36,5% 23,2% 36,5% 27,5% 67,5% 62,0% 92,8% 92,8%	\$3.18 1,841,000 2,435,000 4,276,000 3/17A 22,6% 14,9% 49,2% 42,7% 56,0% 29,4% 27,0% 60,4% 33,0% 60,4% 33,3% 60,9% 10,9% 11,9% 11,9% 12,9% 13,3% 14,9% 14,9% 14,9% 15,0% 16,0	1,852,000 2,633,000 4,485,000 6/17A 24,8% 16,60% 51,3% 42,19% 51,0% 22,2% 22,2% 43,0% 42,0% 51,9% 51,9% 51,19% 51,19% 51,19% 51,19% 51,19% 51,19% 51,19% 51,19% 51,19% 51,19% 51,19%	\$2.33 1,296,303 2,760,830 4,057,133 9/17E 26,4% 50,6% 50,6% 52,1% 62,1% 62,1% 62,1% 45,2%	\$3.86 2,271,931 2,996,101 5,268,032 12/17E 25.3% 47.0% 52.0% 52.0% 52.0% 52.9%	7,261,234 10,824,930 18,086,165 2017E 24,9% 17,006 98,4% 49,2% 99,2% 52,6% 52,15% 22,2% 28,9% 44,4% 44,6% 44,6% 45,55% -26,1% -2	\$21.62 13.051,700 13.474,671 26,526,370 2018E 22.1% 15.0% 32.5% 37.5% 33.0% 45.0% 22.1% 20.0% 23.5% 11.4% 19.3% 16.2% 79.7% 27.7% 77.6% 27.6%	15, 35 ,
Non-GAAP diluted income (loss) per share BITDA Reconciliation Non-GAAP Operating income (CSOI) Depreciation and other amortization BITDA Y Growth It sales stall products stall products stall products stall subscription services WS SI	4,524,000 6,281,000 10,305,000 2015A 20,2% 12,2% 36,9% 61,7% 69,7% 29,3% 26,1% 24,4% 24,4% 24,4% 21,20% 12,0% 150,5% 150,5% 150,5% NA	\$2.43 1.660,000 1.827,000 3.487,000 3/16A 28.2% 29.1% 22.5% 40.2% 33.8% 31.7% 27.3% 16.9% 16.9% 15.1% NA 191.8% NA	\$3.51 2,108.000 1,909.000 4,017,000 6/16A 31.1% 20.5% 39.9% 31.2% 22.7% 22.7% 96.1% 831.5% 139.7% 816.4%	\$2.21 1,383,000 2,084,000 3,467,000 9/16A 29.0% 28.8% 26.8% 33.2% 34.2% 41.6% 39.2% 39.2% 39.2% 39.2% 39.2% 41.6% 59.0% 21.4% 59.0%	23.9% 23.9% 22.4% 23.9% 22.4% 23.9% 24.0% 25.4% 25.4% 26.3%	\$11.59 7.327,000 8,117,000 15,444,000 2016A 27.1% 19.0% 43.1% 55.1% 72.5% 27.6% 23.2% 36.5% 27.4% 39.0% 31.1% 92.2% 92.2% 92.2% 92.2% 92.2% 92.2% 92.2%	\$3.18 1.841,000 4.276,000 3/17A 22.6% 14.6% 34.1% 49.2% 42.7% 42.7% 56.0% 24.3% 18.9% 20.4% 20.4% 30.0% 41.1% 30.9% 41.1% 41.9% 30.9% 41.1% 43.3% 43.1% 43.1% 43.1% 44.1% 45.0% 46.0% 4	1,852,000 2,633,000 4,485,000 6/17A 24.8% 51.3% 42.1% 51.0% 22.2% 29.3% 32.6% 43.0% 42.0% 43.0% 42.0% 43.0% 42.0% 43.0% 42.0% 43.0% 42.0% 43.0% 42.0% 43.0% 42.0% 43.0% 42.0% 43.0% 42.0% 43.0% 42.0% 43.0% 42.0% 43.0% 43.0% 43.0% 44.0%	\$2.33 1,296,303 2,760,830 4,057,133 9/17E 26.4% 50.6% 37.6% 50.6% 37.6% 52.1% 62.1% 42.5% 42.5% 42.5% 42.5% 42.5% 42.4% 43.8% 43.8% 43.8%	\$3.86 2,271,931 2,996,101 5,268,032 12/17E 25.3% 47.0% 36.0% 52.0% 23.4% 22.8% 52.90% 21.9% 45.8% 44.4% 7.8% 44.4% 7.8% 6.0%	7,261,234 10,824,930 18,086,165 2017E 24.9% 17.0% 39.2% 39.2% 26.1% 26.1% 26.1% 27.2% 28.2% 29.9% 44.6% 48.4% 35.5% -26.1% -26.1% -27.7	\$21.62 13.051,700 13.474,671 26,526,370 2018E 22.1% 15.0% 22.5% 37.5% 33.0% 45.0% 22.1% 23.5% 11.4% 19.3% 19.3% 19.7% 21.5% 21.5% 23.5% 11.4% 19.7% 21.5% 21	15, 35 ,
Non-GAAP diluted income (loss) per share IITDA Reconciliation Non-GAAP Operating income (CSOI) Depreciation and other amortization IITDA Y Growth It sales Italial products Italial prod	4,524,000 6,281,000 10,805,000 2015A 20.2% 12.2% 61.7% 69.7% 29.3% 26.1% 24.4% 20.3% 115.2% 115.2% NA	\$2.43 1,660,000 1,827,000 3,487,000 3/16A 28.2% 29.1% 22.5% 40.2% 33.8% 31.7% 27.3% 30.0% 320.0% 135.1% NA	\$3.51 2,108,000 1,909,000 4,017,000 6/16A 31.1% 30.4% 26.5% 39.9% 34.5% 34.5% 32.1% 22.7% 31.2% 16.9% 96.1% 831.5%	\$2.21 1,383,000 2,084,000 3,467,000 9/16A 29.0% 28.8% 26.8% 33.2% 34.2% 35.9% 26.2% 39.2% 39.2% 39.2% 41.6% 39.0% 59.0% 59.0% 59.0%	23.9% 18.9% 22.4% 23.9% 22.4% 23.9% 24.0% 25.4% 25.4% 26.3%	7.327,000 8,117,000 8,117,000 15,444,000 2016A 27,1% 19,0% 42,9% 43,1% 55,1% 72,5% 23,2% 36,5% 23,2% 36,5% 27,5% 67,5% 62,0% 92,8% 92,8%	\$3.18 1,841,000 2,435,000 4,276,000 3/17A 22,6% 14,9% 49,2% 42,7% 56,0% 29,4% 27,0% 60,4% 33,0% 60,4% 33,3% 60,9% 10,9% 11,9% 11,9% 12,9% 13,3% 14,9% 14,9% 14,9% 15,0% 16,0	1,852,000 2,633,000 4,485,000 6/17A 24,8% 16,60% 51,3% 42,19% 51,0% 22,2% 22,2% 43,0% 42,0% 51,9% 51,9% 51,19% 51,19% 51,19% 51,19% 51,19% 51,19% 51,19% 51,19% 51,19% 51,19% 51,19%	\$2.33 1,296,303 2,760,830 4,057,133 9/17E 26,4% 50,6% 50,6% 52,1% 62,1% 62,1% 62,1% 45,2%	\$3.86 2,271,931 2,996,101 5,268,032 12/17E 25.3% 47.0% 52.0% 52.0% 52.0% 52.9%	7,261,234 10,824,930 18,086,165 2017E 24,9% 17,006 98,4% 49,2% 99,2% 52,6% 52,15% 22,2% 28,9% 44,4% 44,6% 44,6% 45,55% -26,1% -2	\$21.62 13.051,700 13.474,671 26,526,370 2018E 22.1% 15.0% 32.5% 37.5% 33.0% 45.0% 22.1% 20.0% 23.5% 11.4% 19.3% 16.2% 79.7% 27.7% 77.6% 27.6%	15, 35 ,
Non-GAAP diluted income (loss) per share BITDA Reconciliation Non-GAAP Operating income (CSOI) Depreciation and other amortization BITDA Y Growth 1 sales 1 tail products 1 tail third-party seller services 1 tail subscription services VS her 1 sales (excluding FX impact) Cost of sales coss profit Fulfilment Marketling Technology and content General and administrative tail cash operating expenses rearting income In-GAAP Operating ITDA WI PEPS In-GAAP EPS ITDA	4,524,000 6,281,000 10,305,000 2015A 20,2% 12,2% 36,9% 61,7% 69,7% 29,3% 26,1% 24,4% 24,4% 24,4% 21,20% 12,0% 150,5% 150,5% 150,5% NA	\$2.43 1.660,000 1.827,000 3.487,000 3/16A 28.2% 29.1% 22.5% 40.2% 33.8% 31.7% 27.3% 16.9% 16.9% 15.1% NA 191.8% NA	\$3.51 2,108.000 1,909.000 4,017,000 6/16A 31.1% 20.5% 39.9% 31.2% 22.7% 22.7% 96.1% 831.5% 139.7% 816.4%	\$2.21 1,383,000 2,084,000 3,467,000 9/16A 29.0% 28.8% 26.8% 33.2% 34.2% 41.6% 39.2% 39.2% 39.2% 39.2% 39.2% 41.6% 59.0% 21.4% 59.0%	23.9% 23.9% 22.4% 23.9% 22.4% 23.9% 24.0% 25.4% 25.4% 26.3%	\$11.59 7.327,000 8,117,000 15,444,000 2016A 27.1% 19.0% 43.1% 55.1% 72.5% 27.6% 23.2% 36.5% 27.4% 39.0% 31.1% 92.2% 92.2% 92.2% 92.2% 92.2% 92.2% 92.2%	\$3.18 1.841,000 4.276,000 3/17A 22.6% 14.6% 34.1% 49.2% 42.7% 42.7% 56.0% 24.3% 18.9% 20.4% 20.4% 30.0% 41.1% 30.9% 41.1% 41.9% 30.9% 41.1% 43.3% 43.1% 43.1% 43.1% 44.1% 45.0% 46.0% 4	1,852,000 2,633,000 4,485,000 6/17A 24.8% 51.3% 42.1% 51.0% 22.2% 29.3% 32.6% 43.0% 42.0% 43.0% 42.0% 43.0% 42.0% 43.0% 42.0% 43.0% 42.0% 43.0% 42.0% 43.0% 42.0% 43.0% 42.0% 43.0% 42.0% 43.0% 42.0% 43.0% 42.0% 43.0% 43.0% 43.0% 44.0%	\$2.33 1,296,303 2,760,830 4,057,133 9/17E 26.4% 50.6% 37.6% 50.6% 37.6% 52.1% 62.1% 42.5% 42.5% 42.5% 42.5% 42.5% 42.4% 43.8% 43.8% 43.8%	\$3.86 2,271,931 2,996,101 5,268,032 12/17E 25.3% 47.0% 36.0% 52.0% 23.4% 22.8% 52.90% 21.9% 45.8% 44.4% 7.8% 44.4% 7.8% 6.0%	7,261,234 10,824,930 18,086,165 2017E 24.9% 17.0% 39.2% 39.2% 26.1% 26.1% 26.1% 27.2% 28.2% 29.9% 44.6% 48.4% 35.5% -26.1% -26.1% -27.7	\$21.62 13.051,700 13.474,671 26,526,370 2018E 22.1% 15.0% 22.5% 37.5% 33.0% 45.0% 22.1% 23.5% 11.4% 19.3% 19.3% 19.7% 21.5% 21.5% 23.5% 11.4% 19.7% 21.5% 21	15, 35 ,
Non-GAAP diluted income (loss) per share BITDA Reconciliation Non-GAAP Operating income (CSOI) Depreciation and other amortization BITDA Y Growth ot sales stali products stali brid-party seller services stali subscription services WS ther st sales (excluding FX impact) Cost of sales ross profit Fulfillment Marketing Technology and content General and administrative brid cash operating expenses perating income on-GAAP Operating income on-GAAP Net income ANP ES silDA squential Growth st sales of Revenues	4,524,000 6,281,000 10,805,000 2015A 20,2% 12,2% 36,9% 61,7% 69,7% 29,3% 26,1% 24,4% 20,3% 33,6% 12,0% 154,5% 154,5% 155,2% NA 115,2% NA 110,3% 64,9%	\$2.43 1.660,000 1.827,000 3.487,000 3/16A 28.2% 29.1% 22.5% 40.2% 33.8% 31.7% 27.3% 16.9% 30.0% 320.0% 135.1% NA 191.8% NA 192.1% 63.6%	\$3.51 2,108,000 1,909,000 4,017,000 6/16A 31.1% 26.5% 39.9% 31.5% 22.7% 31.2% 96.1% 831.5% 139.7% 818.4% 136.4%	\$2.21 1,383,000 2,084,000 3,467,000 9/16A 29.0% 28.8% 26.6% 33.2% 34.2% 34.2% 34.2% 34.2% 34.2% 34.2% 35.9% 28.2% 32.2% 32.2% 32.2% 32.2% 32.2% 33.3% 59.0	23.9% 18.9% 22.4% 23.99% 18.9% 29.7% 20.5% 24.3% 24.3% 25.4% 26.3% 26.3% 26.3% 27.7% 33.7%	\$11.59 7.327,000 8.117,000 8.117,000 15,444,000 2016A 27,1% 19.0% 42.9% 43.1% 55.1% 72.5% 27.6% 36.0% 31.1% 90.5% 92.8% 92.8% 92.8% 92.1% 90.1% 42.9%	\$3.18 1,841,000 2,435,000 4,276,000 3/17A 22.6% 14.6% 34.1% 49.2% 42.7% 56.0% 22.3% 56.2% 60.4% 33.0% 41.1% 33.3% 33.3% 33.9% 22.6% 	1,852,000 2,633,000 4,485,000 6/17A 24.8% 16.6% 37.5% 51.3% 42.0% 51.9% 43.0% 42.0% 51.9% 43.0% 42.0% 51.1% -12.1% -77.0% -16.0% -77.4% -17.6% 11.7%	\$2.33 1,296,303 2,760,830 4,057,133 9/17E 26.4% 50.6% 50.6% 50.6% 52.1% 26.7% 52.1% 26.2% 23.3% 52.1% 42.5% 45.2% 38.5% 37.2% 45.2% 38.5% 37.6% 45.2% 38.5% 37.6% 46.3	\$3.86 2,271,931 2,996,101 5,268,032 12/17E 25.3% 47.0% 93.5% 47.0% 52.0% 52.0% 52.0% 52.0% 52.0% 52.8% 52.9%	7,261,234 10,824,930 18,086,165 2017E 24,9% 17,0% 20,1% 49,2% 30,2% 52,6% 52,6% 48,4% 49,2% 52,6% 68,1% 56,1% 56,1% 56,1% 57,7% 58,9% 17,1%	\$21.62 13.051,700 13.474,671 26.526,370 2018E 22.1% 15.0% 92.5% 97.5% 93.50% 45.0% 22.1% 20.0% 23.5% 11.4% 16.2% 16.2% 77.6% 27.6% 77.6% 27.6% 77.6% 27.6% 77.6% 27.6%	15, 35 ,
Non-GAAP diluted income (loss) per share BITDA Reconciliation Non-GAAP Operating income (CSOI) Depreciation and other amortization BITDA Y Growth ot sales stail products stail brid-party seller services stail subscription services Wiss Wiss Hear (sociuding FX impact) Cost of sales ross profit Fulfillment Marketing Technology and content General and administrative vial cash operating expenses perating income on-GAAP Net income on-GAAP Operating income AAP EPS on-GAAP EPS BITDA poquential Growth st osles of Revenues st of sales of Revenues st of sales	4,524,000 6,281,000 10,305,000 2015A 20,2% 12,2% 36,9% 61,7% 69,7% 29,3% 26,1% 14,2% 34,8% 24,4% 20,3% 33,6% 12,0% 150,2% NAA 115,2% NAA 115,2% NAA 110,3% 64,9%	\$2.43 1.660,000 1.827,000 3.487,000 3.487,000 3.16A 28.2% 22.5% 40.2% 33.8% 40.2% 33.8% 16.9% NA 19.18% NA 19.18% 19.6% 18.5% 64.8%	\$3.51 2,108.000 1,909.000 4,017,000 6/16A 31.1% 30.4% 26.5% 39.9% 34.5% 22.7% 31.2% 176.9% 96.1% 831.5% 43.5% 63.1% 63.1%	\$2.21 1,383,000 2,084,000 3,467,000 9/16A 29.0% 28.8% 26.8% 33.2% 34.2% 34.2% 34.2% 35.9% 28.2% 39.2% 59.0% 21.4% 59.0% 59.0% 21.4% 33.8% 7.6%	23.9% 18.9% 22.4% 23.9% 24.73,000 12/16A 22.4% 23.9% 24.3% 25.4% 42.0% 26.3% 82.5% 30.7% 53.8% 44.9% 27.7% 66.2%	\$11.59 7,327,000 8,117,000 8,117,000 15,444,000 2016A 27,1% 19,0% 43,1% 55,1% 72,5% 27,6% 31,2% 36,5% 27,4% 39,0% 31,1% 62,0% 22,2% 92,2%	\$3.18 1.841,000 2.435,000 4.276,000 3/17A 22.6% 14.6% 49.2% 49.2% 42.7% 60.4% 42.3% 18.9% 60.4% 33.0% 6.2% 60.4% 1.1% 33.3% 6.2% 60.4% 6.2% 60.4% 6.2% 6.2% 6.2% 6.2% 6.2% 6.2% 6.2% 6.2	1,852,000 2,633,000 4,485,000 6/17A 24.8% 51.9% 42.1% 51.9% 42.1% 42.0% 51.9% 42.0% 51.9% 42.0% 51.9% 42.0% 51.9% 61.77.9% 11.76% 63.8%	\$2.33 1,296,303 2,760,830 4,057,133 9/17E 26.4% 50.6% 50.6% 52.1% 52.1% 52.1% 42.5% 42.5% 42.5% 42.5% 42.5% 42.5% 43.8% 53.6% 54.0% 55.1% 56.2% 57.2	\$3.86 2,271,931 2,996,101 5,268,032 12/17E 25.3% 18.0% 93.5% 47.0% 62.0% 62.0% 62.9% 45.9% 45.9% 45.9% 45.9% 45.9% 45.9% 45.9% 45.9% 60.0% 12.2% 17.8% 60.0% 17.8%	7,261,234 10,824,930 18,086,165 2017E 24.9% 17.0% 38,4% 49,2% 39,2% 26,5% 26,1% 26,2% 27,7% 44,6% 48,4% 48,4% 48,4% 55,5% -20,1%	\$21.62 13,051,700 13,474,671 26,526,370 2018E 22,1% 15,0% 27,5% 33,0% 22,1% 20,0% 21,5% 23,5% 11,4% 19,3% 21,5% 21	15, 35 ,
Non-GAAP diluted income (loss) per share BITDA Reconciliation Non-GAAP Operating income (CSOI) Depreciation and other amortization BITDA Y Growth It sales stall products stall brit-party seller services stall subscription services Wise Hall products stall subscription services Wise Hall subscription services Hall subscription services Hall sales Hall subscription services Hall sales Hall subscription services Hall sales Hall subscription services Hall subscription Hall	4,524,000 6,281,000 10,805,000 2015A 20,2% 12,2% 36,9% 61,7% 69,7% 29,3% 26,1% 24,4% 20,3% 33,6% 12,0% 154,5% 154,5% 155,2% NA 115,2% NA 110,3% 64,9%	\$2.43 1.660,000 1.827,000 3.487,000 3/16A 28.2% 29.1% 22.5% 40.2% 33.8% 31.7% 27.3% 16.9% 30.0% 320.0% 135.1% NA 191.8% NA 192.1% 63.6%	\$3.51 2,108,000 1,909,000 4,017,000 6/16A 31.1% 26.5% 39.9% 31.5% 22.7% 31.2% 96.1% 831.5% 139.7% 818.4% 136.4%	\$2.21 1,383,000 2,084,000 3,467,000 9/16A 29.0% 28.8% 26.6% 33.2% 34.2% 34.2% 34.2% 34.2% 34.2% 34.2% 35.9% 28.2% 32.2% 32.2% 32.2% 32.2% 32.2% 33.3% 59.0	23.9% 18.9% 22.4% 23.99% 18.9% 29.7% 20.5% 24.3% 24.3% 25.4% 26.3% 26.3% 26.3% 27.7% 33.7%	\$11.59 7.327,000 8.117,000 8.117,000 15,444,000 2016A 27,1% 19.0% 42.9% 43.1% 55.1% 72.5% 27.6% 36.0% 31.1% 90.5% 92.8% 92.8% 92.8% 92.1% 90.1% 42.9%	\$3.18 1,841,000 2,435,000 4,276,000 3/17A 22.6% 14.6% 34.1% 49.2% 42.7% 56.0% 22.3% 56.2% 60.4% 33.0% 41.1% 33.3% 33.3% 33.9% 22.6% 	1,852,000 2,633,000 4,485,000 6/17A 24.8% 16.6% 37.5% 51.3% 42.0% 51.9% 43.0% 42.0% 51.9% 43.0% 42.0% 51.1% -12.1% -77.0% -16.0% -77.4% -17.6% 11.7%	\$2.33 1,296,303 2,760,830 4,057,133 9/17E 26.4% 50.6% 50.6% 50.6% 52.1% 26.7% 52.1% 26.2% 27.9% 42.5% 45.2% 38.5% 37.6% 45.2% 38.5% 37.6% 45.2% 46.3% 46.3% 47.6% 47.6% 48.5	\$3.86 2,271,931 2,996,101 5,268,032 12/17E 25.3% 47.0% 93.5% 47.0% 52.0% 52.0% 52.0% 52.0% 52.0% 52.8% 52.9%	7,261,234 10,824,930 18,086,165 2017E 24,9% 17,0% 20,1% 49,2% 30,2% 52,6% 52,6% 48,4% 49,2% 52,6% 68,1% 56,1% 56,1% 56,1% 57,7% 58,9% 17,1%	\$21.62 13.051,700 13.474,671 26.526,370 2018E 22.1% 15.0% 92.5% 97.5% 93.50% 45.0% 22.1% 20.0% 23.5% 11.4% 16.2% 16.2% 77.6% 27.6% 77.6% 27.6% 77.6% 27.6% 77.6% 27.6%	15, 35 ,
Non-GAAP diluted income (loss) per share BITDA Reconciliation Non-GAAP Operating income (CSOI) Depreciation and other amortization BITDA Y Growth It sales tail products tatal third-party seller services tatal by services WS her It sales (excluding FX impact) Cost of sales ross profit Fulfilliment Marketing Technology and content General and administrative tail cash operating expenses perating income para GAAP Operating income Para PRS BITDA BITDA It sales	4,524,000 6,281,000 10,305,000 2015A 20,2% 12,2% 36,9% 61,7% 69,7% 29,3% 26,1% 14,2% 34,8% 24,4% 20,3% 33,6% 12,0% 150,2% NAA 115,2% NAA 115,2% NAA 110,3% 64,9%	\$2.43 1.660,000 1.827,000 3.487,000 3.487,000 3.16A 28.2% 22.5% 40.2% 33.8% 40.2% 33.8% 16.9% NA 19.18% NA 19.18% 19.6% 18.5% 64.8%	\$3.51 2,108.000 1,909.000 4,017,000 6/16A 31.1% 30.4% 26.5% 39.9% 34.5% 22.7% 31.2% 176.9% 96.1% 831.5% 43.5% 63.1% 63.1%	\$2.21 1,383,000 2,084,000 3,467,000 9/16A 29.0% 28.8% 26.8% 33.2% 34.2% 34.2% 34.2% 35.9% 28.2% 39.2% 59.0% 21.4% 59.0% 59.0% 21.4% 33.8% 7.6%	23.9% 18.9% 22.4% 23.9% 24.73,000 12/16A 22.4% 23.9% 24.3% 25.4% 42.0% 26.3% 82.5% 30.7% 53.8% 44.9% 27.7% 66.2%	\$11.59 7,327,000 8,117,000 8,117,000 15,444,000 2016A 27,1% 19,0% 43,1% 55,1% 72,5% 27,6% 31,2% 36,5% 27,4% 39,0% 31,1% 62,0% 22,2% 92,2%	\$3.18 1.841,000 2.435,000 4.276,000 3/17A 22.6% 14.6% 49.2% 49.2% 42.7% 60.4% 42.3% 18.9% 60.4% 33.0% 6.2% 60.4% 1.1% 33.3% 6.2% 60.4% 6.2% 60.4% 6.2% 6.2% 6.2% 6.2% 6.2% 6.2% 6.2% 6.2	1,852,000 2,633,000 4,485,000 6/17A 24.8% 51.9% 42.1% 51.9% 42.1% 42.0% 51.9% 42.0% 51.9% 42.0% 51.9% 42.0% 51.9% 61.77.9% 11.76% 63.8%	\$2.33 1,296,303 2,760,830 4,057,133 9/17E 26.4% 50.6% 50.6% 52.1% 52.1% 52.1% 42.5% 42.5% 42.5% 42.5% 42.5% 42.5% 43.8% 53.6% 54.0% 55.1% 56.2% 57.2	\$3.86 2,271,931 2,996,101 5,268,032 12/17E 25.3% 18.0% 93.5% 47.0% 62.0% 62.0% 62.9% 45.9% 45.9% 45.9% 45.9% 45.9% 45.9% 45.9% 45.9% 60.0% 12.2% 17.8% 60.0% 17.8%	7,261,234 10,824,930 18,086,165 2017E 24.9% 17.0% 38,4% 49,2% 39,2% 26,5% 26,1% 26,2% 27,7% 44,6% 48,4% 48,4% 48,4% 55,5% -20,1%	\$21.62 13,051,700 13,474,671 26,526,370 2018E 22,1% 15,0% 27,5% 33,0% 22,1% 20,0% 21,5% 23,5% 11,4% 19,3% 21,5% 21	15, 35 ,
Non-GAAP diluted income (loss) per share BITDA Reconciliation Non-GAAP Operating income (CSOI) Depreciation and other amortization BITDA Y Growth It sales stail products stail brid-party seller services stail subscription services WS her It sales (excluding FX impact) Cost of sales ross profit Fulfillment Marketing Technology and content General and administrative stail cash operating expenses perating income on-GAAP Operating income on-GAAP Net income on-GAAP EPS SITDA Uniquential Growth st sales of Revenues out of R	4,524,000 6,281,000 10,805,000 2015A 20.2% 12.2% 61.7% 69.7% 29.3% 26.1% 24.4% 20.3% 115.2% NA 115.2% NA 115.2% NA 110.3% 64.9%	\$2.43 1,660,000 1,827,000 3,487,000 3/16A 28.2% 29.1% 22.5% 40.2% 33.6% 31.7% 320.0% 320.0% 135.1% 146.9% 320.0% 146.9	\$3.51 2,108,000 1,909,000 4,017,000 6/16A 31.1% 30.4% 26.5% 39.9% 34.5% 34.5% 13.2% 176.9% 96.1% 83.15% 44.4% 4.4% 63.1%	\$2.21 1,383,000 2,084,000 3,467,000 9/16A 29.0% 28.8% 26.8% 33.2% 34.2% 34.2% 34.2% 39.2% 39.2% 39.2% 39.2% 39.2% 39.2% 59.0% 21.4.% 56.7% 33.8% 65.7% 33.8% 65.0% 65.0%	23.9% 18.9% 22.4% 23.9% 18.9% 29.7% 29.7% 20.3% 20.5% 42.0% 26.3% 26.3% 46.9% 27.7% 33.7% 66.2%	7.327,000 8,117,000 8,117,000 15,444,000 2016A 27,1% 19,00% 42,9% 43,1% 72,5% 23,2% 36,5% 23,2% 36,5% 27,4% 27,5% 92,8% 92,8% 92,8% 92,8% 92,1% 90,1% 42,9%	\$3.18 1,841,000 2,435,000 4,276,000 3/17A 22.6% 14.9% 49.2% 42.7% 50.0% 29.4% 27.0% 62.3% 60.4% 33.30% 62.5% 10.9% 11.9% 33.39% 22.6%	1,852,000 2,633,000 4,485,000 6/17A 24,8% 16,6% 51,3% 42,19% 51,0% 26,5% 43,0% 42,0% 51,9% 32,6% 43,0% 42,0% 51,9% 51,19%	\$2.33 1,296,303 2,760,830 4,057,133 9/17E 26.4% 18.1% 50.6% 50.6% 52.1% 23.3% 22.9% 23.3% 42.5% 45.2% 45.2% 49.4% -6.3% -6.4	\$3.86 2.271,931 2.996,101 5,268,032 12/17E 25.3% 47.0% 93.5% 47.0% 52.0% 52.0% 52.9%	7,261,234 10,824,930 18,086,165 2017E 24,9% 17,00% 93,2% 52,6% 52,5% 52,6% 52,2% 52,6% 52,	\$21.62 13.051,700 13.474,671 26,526,370 2018E 22.1% 15.0% 32.5% 37.5% 33.0% 45.0% 20.0% 22.5% 23.5% 11.4% 19.3% 167.2% 77.6% 27.6% 77.6% 2	15, 35 ,
Non-GAAP diluted income (loss) per share BITDA Reconciliation Non-GAAP Operating income (CSOI) Depreciation and other amortization BITDA Y Growth It sales stail products stail britd-party seller services stail subscription services WS ther It sales (excluding FX impact) Cost of sales ross profit Fulfillment Marketling Technology and content General and administrative ytal cash operating expenses perating income	4,524,000 6,281,000 10,305,000 2015A 20,2% 12,2% 36,9% 61,7% 69,7% 29,3% 26,1% 24,4% 24,4% 24,4% 24,4% 21,10,2% 154,5% 150,2% NAA 115,2% NAA 110,3% 64,9% 67,0% 12,1% 67,0%	\$2.43 1.660,000 1.827,000 3.487,000 3.487,000 3.16A 28.2% 22.5% 40.2% 33.8% 31.7% 22.5% 40.2% 30.0% 30.0% 30.0% 30.0% 32.0% 63.6% 64.8% 64.8% 12.3%	\$3.51 2,108,000 1,909,000 4,017,000 6/16A 31.1% 30.4% 26.5% 39.9% 31.2% 77.69% 131.5% 139.7% 618.4% 55.8% 4.4%	\$2.21 1,383,000 2,084,000 3,467,000 9/16A 29.0% 28.8% 26.8% 33.2% 31	2.176,000 2,297,000 4,473,000 12/16A 22.4% 23.9% 18.9% 29.7% 20.5% 42.0% 26.5% 30.7% 53.6% 54.9% 27.7% 33.7%	\$11.59 7.327,000 8.117,000 8.117,000 15,444,000 2016A 27.1% 19.0% 42.9% 43.1% 55.5% 27.6% 23.2% 36.5% 27.4% 39.0% 31.1% 42.9% 42.9% 64.9% 12.5%	\$3.18 1.841,000 2.435,000 4,276,000 3/17A 22.6% 14.6% 34.1% 49.2% 42.7% 56.0% 24.3% 18.9% 29.4% 27.0% 30.0% 30.0% 30.0% 41.1% 41.1% 43.3% 46.2% 66.2% 66.2% 66.2% 67.0% 68.8	\$2.89 1,852,000 2,633,000 4,485,000 6/17A 24.8% 51.6% 51.3% 42.1% 51.0% 26.5% 22.2% 43.0% 42.0% 43.0% 42.0% 43.0% 42.0% 51.1% 6.3% 61.8% 63.3% 61.8% 62.9%	\$2.33 1,296,303 2,760,830 4,057,133 9/17E 26.4% 50.6% 37.6% 50.6% 37.6% 42.5% 45.2% 45.2% 45.2% 45.3% 45.3% 47.0% 48.3% 49.4% 49.4% 49.4% 49.4% 40.6	\$3.86 2,271,931 2,996,101 5,268,032 12/17E 25.3% 47.0% 36.0% 52.9% 42.9.0% 22.8% 52.9% 45.8% 44.4% 7.8% 44.1% 6.0% 12.2% 17.8% 65.2% 17.8%	\$12.27 7,261,234 10,824,930 18,086,165 2017E 24.9% 17.0% 38.4% 49.2% 39.2% 52.6% 26.1% 22.2% 29.9% 46.4% 35.5% -26.1% -27.7% -24.4% 63.5% -27.7% -21.4% 63.5% -27.7% -27.4% -27.7% -27.4% -27.7% -27.4% -27.7% -27.4% -27.7% -27.4% -27.7% -27.4% -27.7% -27.4% -27.7% -27.4% -27.7% -27.4% -27.7% -27.4% -27.7% -27.4% -27.7% -27.4% -27.7% -2	\$21.62 13.051,700 13.474,671 26,526,370 2018E 22.1% 27.5% 33.0% 45.0% 22.1% 22.1% 23.5% 45.0% 23.5% 11.4% 24.6% 25.5% 24.5% 25.5% 24.5% 25.5% 26.5% 27.5%	15, 35 ,
Non-GAAP diluted income (loss) per share BITDA Reconciliation Non-GAAP Operating income (CSOI) Depreciation and other amortization BITDA Y Growth It sales estail triord-party seller services stail triord-party seller services stail subscription services WS her It sales (excluding FX impact) Cost of sales ross profit Fulfillment Marketing Technology and content General and administrative valual cash operating expenses perating income non-GAAP Operating income AAP Net income AAP EPS BITDA B	4,524,000 6,281,000 10,805,000 2015A 20,2% 12,2% 61,7% 69,7% 29,3% 26,1% 24,4% 20,3% 33,6% 12,0% 150,2% 1550,2% 1750,2	\$2.43 1,660,000 1,827,000 3,487,000 3/16A 28.2% 29.1% 22.5% 40.2% 33.8% 31.7% 32.0% 32.0% 34.1% 34.1% 34.1% 35.1% 36.36% 36.	\$3.51 2,108,000 1,909,000 4,017,000 6/16A 31.1% 30.4% 26.5% 39.9% 34.5% 33.3% 22.7% 31.5% 131.5%	\$2.21 1,383,000 2,084,000 3,467,000 9/16A 29.0% 28.8% 26.8% 26.8% 33.2% 34.2% 35.9% 28.2% 41.6% 39.2% 50.7% 51.7% 55.7% 51.7% 51.1%	23.9% 12.47% 22.47% 23.9% 12/16A 22.47% 23.9% 18.9% 25.4% 42.0% 26.5% 30.77% 48.49% 55.4% 46.9% 27.7% 66.2% 56.2% 56.5% 9.3%	7.327,000 8,117,000 8,117,000 15,444,000 2016A 22,1% 42,9% 43,1% 55,1% 72,5% 23,2% 36,5% 21,2% 31,2% 31,2% 31,2% 31,2% 31,2% 31,2% 31,2% 32,5% 32,7,8% 32,1% 42,9% 42,9% 43,17,5% 42,9% 44,17,5% 42,9% 44,17,5% 42,9% 44,17,5% 42,9% 44,17,5%	\$3.18 1.841,000 2.435,000 4.276,000 3/17A 22.6% 14.6% 14.9% 49.2% 42.7% 56.0% 22.3% 36.2% 60.4% 33.30% -6.2% 14.1% 33.35% 38.5% 38.5% 38.5% 38.5% 58.5% -18.4%	\$2.89 1,852,000 2,633,000 4,485,000 6/17A 24.8% 16.6% 51.3% 42.19% 51.0% 22.2% 29.3% 43.0% 42.0% 51.9% 51.1% -17.0% -17.0% 17.76% 11.77% 6.33% 61.8% 12.9% 5.5% 13.0%	\$2.33 1,296,303 2,760,830 4,057,133 9/17E 26.4% 18.1% 50.6% 52.1% 62.7% 23.3% 32.0% 42.5% 42.5% 42.5% 45.2% 49.4% -6.3% -6.3% -6.3% -6.3% -6.3% -6.3% -6.3% -6.3% -6.3% -6.3% -6.3% -6.3% -6.3% -6.3% -6.3% -6.3% -6.3% -6.3% -6.5% -6.3% -6.3% -6.3% -6.3% -6.5	\$3.86 2.271,931 2.996,101 5.268,032 12/17E 25.3% 18.00% 93.5% 47.0% 93.5% 47.0% 92.28% 92.28% 93.24% 14.1% 6.00% 12.2% 14.1% 6.0% 12.2% 12.8% 6.2% 12.3% 14.1% 6.0% 12.2% 12.8%	7,261,234 10,824,930 18,086,165 2017E 24,9% 17,0% 93,2% 52,6% 93,2% 52,6% 93,2% 52,6% 44,4% 93,2% 94,5% 94,5% 94,5% 95,5% 96,1% 97,1	\$21.62 13,051,700 13,474,671 26,526,370 2018E 22,1% 15,00% 45,00% 45,00% 22,15% 20,00% 45,00% 11,4% 16,2% 21,5% 21	15, 35 ,
Non-GAAP diluted income (loss) per share BITDA Reconciliation Non-GAAP Operating income (CSOI) Depreciation and other amortization BITDA Y Growth at sales stall products stall brid-party seller services stall brid-party seller services stall brid-party seller services stall subscription services WS ther at sales (excluding FX impact) Cost of sales ross profit Fulfillment Marketing Technology and content General and administrative stall cash operating expenses perating income on-GAAP Operating income on-GAAP Net income on-GAAP Net income on-GAAP EPS SITDA	4,524,000 6,281,000 10,305,000 2015A 20,2% 12,2% 36,9% 61,7% 69,7% 29,3% 26,1% 24,4% 20,3% 33,6% 72,0% 26,2% 1154,5% 150,2% 4,110,3% 64,9%	\$2.43 1.660,000 1.827,000 3.497,000 3.497,000 3.76A 28.2% 22.5% 40.2% 33.8% 31.7% 22.5% 40.2% 30.0% 30.0% 30.0% 30.0% 32.0% 63.6% 64.8% 12.3% 64.8% 12.3% 12.3% 12.3%	\$3.51 2,108,000 1,909,000 4,017,000 6/16A 31.1% 30.4% 26.5% 39.9% 34.5% 34.5% 34.5% 176.9% 96.1% 831.5% 63.19% 12.19% 4.8% 11.4% 1.6% 30.0%	\$2.21 1,383,000 2,084,000 3,467,000 9/16A 29.0% 28.8% 26.0% 33.2% 34.2% 39.2% 39.2% 39.2% 39.2% 39.2% 59.0% 214.4% 56.7% 33.8% 65.0% 65.0% 12.7% 51.9% 51.1% 65.0% 12.7% 51.9% 51.1% 65.0% 12.7% 51.9% 51.1% 65.0% 65.0% 12.7% 51.9% 65.0% 65.0% 12.7% 12.7% 12.7% 12.7% 12.7% 12.7% 12.7% 12.7% 12.7% 12.7% 13.	23.9% 18.9% 22.4% 23.9% 22.4% 23.9% 24.0% 25.4% 25.4% 26.3% 26.3% 26.3% 27.7% 30.7% 44.9% 27.7% 46.9% 27.7% 46.9% 27.7%	\$11.59 7.327,000 8.117,000 15,444,000 2016A 27.1% 19.0% 43.1% 52.5% 52.5% 33.0% 31.1% 39.0% 31.1% 62.0% 22.8% 22.8% 22.8% 22.8% 22.8% 22.8% 22.8% 22.8% 22.8% 25.5% 55.5% 56.0%	\$3.18 1.841,000 2.435,000 4,276,000 3/17A 22.6% 14.6% 34.1% 49.2% 42.7% 55.0% 24.3% 18.9% 60.4% 33.0% 6.2% 60.4% 33.0% 6.2% 60.4% 11.1% 33.3% 30.9% 62.8% 62.8% 62.8% 62.8% 62.8% 62.8%	1,852,000 2,633,000 4,485,000 6/17A 24.8% 16.6% 37.5% 51.3% 42.0% 51.9% 42.0% 43.0% 42.0% 16.0% 51.1% -12.1% -77.0% 16.0% 17.74% 17.6% 11.7% 61.8% 61.8% 12.9% 5.5% 63.3%	\$2.33 1,296,303 2,760,830 4,057,133 9/17E 26.4% 50.6% 50.6% 52.1% 62.1% 62.1% 62.1% 62.1% 63.3% 64.5% 62.1% 63.3% 64.5% 65.6% 65.1% 66.3% 67.6	\$3.86 2,271,931 2,996,101 5,268,032 12/17E 25.3% 47.0% 39.5% 47.0% 52.0% 52.0% 52.0% 52.4% 52.4% 52.4% 52.4% 6.6.8	7,261,234 10,824,930 18,086,165 2017E 24,9% 17,0% 98,4% 49,2% 93,2,2% 52,6% 48,4% 93,2,2% 52,6% 48,4% 93,2,2% 17,7	\$21.62 13.051,700 13.474,671 26.526,370 2018E 22.1% 15.0% 22.5% 27.5% 23.5% 24.5% 24.5% 24.5% 25.5% 24.5% 24.5% 25.5% 24.5% 25.5% 24.5% 24.5% 25.5% 26.5% 26.5% 26.5% 26.5% 27.6%	15, 35 ,
Non-GAAP diluted income (loss) per share BITDA Reconciliation Non-GAAP Operating income (CSOI) Depreciation and other amortization ITDA Y Growth It sales tetal third-party seller services tetal subscription services VS her It sales (excluding FX impact) Cost of sales ross profit Fulfillment Marketing Technology and content General and administrative tatal cash operating expenses perating income Dem-GAAP Net income AAP Net income AAP Net income AAP PES ITDA Greenel Services AAP Services ITDA ITD	4,524,000 6,281,000 10,305,000 2015A 20,2% 12,2% 36,9% 61,7% 69,7% 29,3% 26,1% 24,4% 20,3% 33,6% 72,0% 26,2% 1154,5% 150,2% 4,110,3% 64,9%	\$2.43 1.660,000 1.827,000 3.497,000 3.497,000 3.76A 28.2% 22.5% 40.2% 33.8% 31.7% 22.5% 40.2% 30.0% 30.0% 30.0% 30.0% 32.0% 63.6% 64.8% 12.3% 64.8% 12.3% 12.3% 12.3%	\$3.51 2,108,000 1,909,000 4,017,000 6/16A 31.1% 30.4% 26.5% 39.9% 31.2% 31.2% 51.5% 51.5% 63.1% 63.1% 4.4%	\$2.21 1,383,000 2,084,000 3,467,000 9/16A 29.0% 28.8% 26.8% 33.2% 34.2% 35.9% 28.2% 39.2% 39.2% 39.3% 21.4% 41.6% 41.6% 59.0% 51.7% 59.0% 51.7% 51.1%	23.9% 18.9% 22.4% 23.9% 22.4% 23.9% 24.0% 25.4% 25.4% 26.3% 26.3% 26.3% 27.7% 30.7% 44.9% 27.7% 46.9% 27.7% 46.9% 27.7%	\$11.59 7.327,000 8.117,000 15,444,000 2016A 27.1% 19.0% 43.1% 52.5% 52.5% 33.0% 31.1% 39.0% 31.1% 62.0% 22.8% 22.8% 22.8% 22.8% 22.8% 22.8% 22.8% 22.8% 22.8% 25.5% 55.5% 56.0%	\$3.18 1.841,000 2.435,000 4,276,000 3/17A 22.6% 14.6% 34.1% 49.2% 42.7% 55.0% 24.3% 18.9% 60.4% 33.0% 6.2% 60.4% 33.0% 6.2% 60.4% 11.1% 33.3% 30.9% 62.8% 62.8% 62.8% 62.8% 62.8% 62.8%	1,852,000 2,633,000 4,485,000 6/17A 24.8% 16.6% 37.5% 51.3% 42.1% 51.0% 22.2% 43.0% 42.0% 43.0% 42.0% 43.0% 42.0% 43.0% 42.0% 51.1% 63.3% 61.8% 17.7.6% 17.6% 17.7.6% 17.5% 6.3%	\$2.33 1,296,303 2,760,830 4,057,133 9/17E 26.4% 50.6% 50.6% 52.1% 62.1% 62.1% 62.1% 62.1% 63.3% 64.5% 62.1% 63.3% 64.5% 65.6% 65.1% 66.3% 67.6	\$3.86 2,271,931 2,996,101 5,268,032 12/17E 25.3% 47.0% 39.5% 47.0% 52.0% 52.0% 52.0% 52.4% 52.4% 52.4% 52.4% 6.6.8	\$12.27 7,261,234 10,824,930 18,086,165 2017E 24.9% 17.0% 38.4% 49.2% 39.2% 52.6% 28.1% 22.2% 52.6% 33.7% 44.6% 48.4% 35.5% -26.1% -21.0% 17.1%	\$21.62 13.051,700 13.474,671 26.526,370 2018E 22.1% 15.0% 22.5% 27.5% 23.5% 24.5% 24.5% 24.5% 25.5% 24.5% 24.5% 25.5% 24.5% 25.5% 24.5% 24.5% 25.5% 26.5% 26.5% 26.5% 26.5% 27.6%	15,9 35 ,0
Non-GAAP diluted income (loss) per share BITDA Reconciliation Non-GAAP Operating income (CSOI) Depreciation and other amortization BITDA Y Growth It sales It sales (sale the sale shale	4,524,000 6,281,000 10,805,000 2015A 20.2% 12.2% 61.7% 69.7% 29.3% 26.1% 24.4% 20.3% 115.2% NA 115.2% NA 110.3% 64.9% 67.0% 12.1% 4.7% 10.6% 1.4% 28.8%	\$2.43 1.660,000 1.827,000 3.487,000 3.76A 28.2% 29.1% 22.5% 40.2% 33.8% 40.2% 320.0% 15.1% NA 191.8% A2.1% 63.6% -18.5% 64.8% 12.3% 4.7% 11.0% 1.5% 29.5%	\$3.51 2,108,000 1,909,000 4,017,000 6/16A 31.1% 30.4% 26.5% 39.9% 34.5% 34.5% 42.7% 31.37% 43.16.4% 55.8% 4.4% 63.1% 12.1% 4.8% 11.4% 1.6% 30.0%	\$2.21 1,383,000 2,084,000 3,467,000 9/16A 29.0% 28.8% 26.8% 33.2% 34.2% 35.9% 28.2% 39.2% 39.2% 39.2% 39.2% 39.2% 39.2% 59.0% 21.4% 56.7% 33.8% 65.0% 12.7% 51.1	23.9% 18.9% 22.4% 23.9% 23.9% 24.7% 22.4% 23.9% 29.7% 26.3% 26.5% 30.7% 44.9% 26.5% 30.7% 46.9% 27.7% 33.7% 66.2% 12.6% 55.5% 9.3% 14.4% 28.8%	7.327,000 8,117,000 8,117,000 15,444,000 2016A 27,1% 19,00% 42,9% 43,1% 55,1% 23,2% 36,5% 23,2% 36,5% 27,4% 39,0% 31,2% 67,5% 62,0% 90,1% 42,9% 12,5%	\$3.18 1.841,000 2.435,000 4.276,000 3/17A 22.6% 14.6% 34.1% 49.2% 42.7% 50.0% 29.4% 27.0% 50.4% 33.3% 36.2% 60.4% 33.3% 30.9% 22.6% -18.4% -	1,852,000 2,633,000 4,485,000 6/17A 24.8% 16.6% 51.3% 42.1% 51.0% 22.2% 43.0% 42.0% 51.9% 16.0% 51.9% 17.76% 17.76% 17.76% 18.9% 17.76% 18.9% 17.8% 12.9% 18.9% 19.9% 1	\$2.33 1,296,303 2,760,830 4,057,133 9/17E 26.4% 50.6% 50.6% 52.1% 26.7% 42.5% 45.2% 38.5% 32.0% 77.9% 42.5% 45.2% 45.2% 56.3% 56.3% 57.0% 58.5%	\$3.86 2.271,931 2.996,101 5,268,032 12/17E 25.3% 47.0% 93.5% 47.0% 52.0% 52.0% 52.4% 23.4% 23.4% 23.4% 24.9% 66.8% 4.4% 7.8% 66.0% 12.2% 12.2% 12.2% 12.2% 12.3% 1	7,261,234 10,824,930 18,086,165 2017E 24,9% 17,006 38,4% 49,2% 93,2% 52,6% 22,2% 22,2% 22,6% 44,4% 44,6% 44,5% 15,5% -26,1% -20,1% 5,9% 17,1% 5,9% 17,1%	\$21.62 13.051,700 13.474,671 26,526,370 2018E 22.1% 15.0% 92.5% 97.5% 93.5% 94.50% 94.50% 167.2% 167	15,9 35 ,0
Non-GAAP diluted income (loss) per share Non-GAAP Operating income (CSOI) Depreciation and other amortization ITDA Y Growth It sales It sales It sales It sales (sales) It sales (sales	4,524,000 6,281,000 10,305,000 2015A 20,2% 12,2% 36,9% 61,7% 69,7% 29,3% 26,1% 14,2% 34,8% 24,4% 21,2% 154,5% 150,2% NA 115,2% NA 115,2% NA 110,3% 64,9% 67,0% 12,1% 4,7% 10,6% 1,4% 28,8%	\$2.43 1.660,000 1.827,000 3.487,000 3.487,000 3.16A 28.2% 29.1% 22.5% 40.2% 33.8% 31.7% 27.3% 16.9% 16.9% 19.8% NA 191.8% NA 191.8% 18.5% 64.8% 12.3% 4.7% 15.5%	\$3.51 2,108,000 1,909,000 4,017,000 6/16A 31.1% 30.4% 26.5% 39.9% 31.2% 71.69% 31.2% 176.9% 61.4% 55.8% 4.4% 63.1% 63.1% 12.1% 4.8% 30.0%	\$2.21 1,383,000 2,084,000 3,467,000 9/16A 29.0% 28.8% 26.8% 33.2% 34.2% 34.2% 34.2% 35.9% 28.2% 39	23.9% 22.4% 23.9% 22.4% 23.9% 24.73,000 12/16A 22.4% 23.9% 25.4% 26.3% 26.3% 27.7% 27.7% 27.7% 28.8% 33.7% 33.7%	\$11.59 7.327,000 8.117,000 8.117,000 15,444,000 2016A 27.1% 19.0% 42.9% 43.1% 55.1% 55.1% 92.8% 93.0% 93.11% 42.9% 64.9% 12.5% 64.9% 12.5% 55.1% 16.8% 93.7%	\$3.18 1.841,000 2.435,000 4.276,000 3/17A 22.6% 14.6% 34.1% 49.2% 42.7% 56.0% 24.3% 12.3% 30.9% 62.8% 41.1% 33.3% 62.8% 62.8% 62.8% 12.7% 51.9% 52.0% 32.0%	\$2.89 1,852,000 2,633,000 4,485,000 6/17A 24.8% 51.6% 51.3% 42.1% 51.0% 62.5% 22.2% 43.0% 42.0% 43.0% 42.1% 77.7% 63.89% 61.8% 61.8% 11.7% 6.3%	\$2.33 1,296,303 2,760,830 4,057,133 9/17E 26.4% 50.6% 37.6% 50.6% 37.6% 42.5% 42.5% 42.5% 42.5% 43.5% 33.5% 33.0% 42.5% 42.5% 42.5% 42.5% 42.5% 42.5% 42.5% 42.5% 43.8% 56.6% 56.3% 42.9% 56.3% 42.9% 56.3% 42.9% 42.9% 56.3% 42.9% 42.9% 42.9% 42.9% 43.8% 43.8% 43.8% 43.8% 42.9% 43.8% 44.9% 45.9% 46.3	\$3.86 2,271,931 2,996,101 5,268,032 12/17E 25.3% 47.0% 36.0% 52.0% 23.4% 22.8% 52.9% 22.8% 52.9% 45.8% 4.4% 7.8% 6.0% 14.1% 6.0% 14.1% 6.0% 14.1% 6.0% 14.1% 6.0% 14.1% 6.0% 14.1% 6.0% 14.1%	7,261,234 10,824,930 18,086,165 2017E 24.9% 17.0% 38.4% 49.2% 39.2% 32.1% 44.6% 33.5% -26.1% -22.4% 49.2% 33.7% 44.6% 33.5% -21.0% 17.1% 63.5% 17.1%	\$21.62 13.051,700 13.474,671 26,526,370 2018E 22.1% 25.5% 27.5% 21.5% 22.5% 22.5% 23.5% 14.6% 16.6% 16.6% 16.7% 21.76%	15, 35 ,

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Figure 4: AMZN Segment Breakdown

\$ in thousands, except per share data

	2015A	3/16A	6/16A	9/16A	12/16A	2016A	3/17A	6/17A	9/17E	12/17E	2017E	2018E	2019E
NET SALES													
Retail products	76,863,000	19,916,000	20,378,000	21,590,000	29,548,000	91,431,000	22,826,000	23,754,000	25,501,529	34,853,018	106,934,547	122,974,730	139,576,318
% change	12.2%					19.0%	14.6%	16.6%	18.1%	18.0%	17.0%	15.0%	13.5%
FX Benefit (Negative Impact)							(276,560)	(292,040)	(82,621)	577,338	(73,883)		
% change FXN		21.0%	22.0%	20.0%	16.0%		16.0%	18.0%	18.5%	16.0%	17.0%		
Retail third-party seller services	16.086.000	4.801.000	5.083.000	5.652.000	7,456,000	22,993,000	6,438,000	6,991,000	8,004,211	10,397,683	31,830,894	42,175,934	54,828,714
% change	36.9%				,,	42.9%	34.1%	37.5%	41.6%	39.5%	38.4%	32.5%	30.0%
FX Benefit (Negative Impact)						12.070	(91,360)	(125,200)	(21,629)	145.683	(92,506)		
% change FXN		46.0%	48.0%	46.0%	39.0%		36.0%	40.0%	42.0%	37.5%	38.8%		
Retail subscription services	4,467,000	1,300,000	1,431,000	1,532,000	2,130,000	6,394,000	1,939,000	2,165,000	2,307,457	3,130,118	9,541,575	13,119,666	17,383,558
% change	61.7%	1,000,000	1,101,000	1,002,000	2,100,000	43.1%	49.2%	51.3%	50.6%	47.0%	49.2%	37.5%	32.5%
FX Benefit (Negative Impact)	01.770					45.170	(37,000)	(24,430)	(5,863)	41,618	(25,675)	37.376	32.576
% change FXN		56.0%	52.0%	47.0%	33.0%		52.0%	53.0%	51.0%	45.0%	49.6%		
AWS	7.880.000	2.566.000	2.886.000	3.231.000	3.536.000	12,219,000	3,661,000	4,100,000	4,446,416	4,807,330	17,014,745	22,629,611	28.965.903
% change	69.7%	63.9%	58.2%	55.0%	47.0%	55.1%	42.7%	4,100,000	37.6%	36.0%	39.2%	33.0%	28.0%
•	15.830	(2.240)	4.080		650	1.740	(8.380)	1.880	(12.364)	69.090	50.225	33.0%	20.0%
FX Benefit (Negative Impact)	-,	(, . ,	,	(750)		, ,	(-,,		, , , , ,	,			
% change FXN	69.3%	64.0%	58.0%	55.0%	47.0%	55.0%	43.0%	42.0%	38.0%	34.0%	38.8%		
Other	1,710,000	545,000	626,000	709,000	1,071,000	2,950,000	850,000	945,000	1,078,512	1,627,426	4,500,938	6,526,360	9,136,904
% change	29.3%					72.5%	56.0%	51.0%	52.1%	52.0%	52.6%	45.0%	40.0%
FX Benefit (Negative Impact)							(11,100)	(12,780)	(2,713)	20,926	(5,667)		
% change FXN		46.0%	65.0%	74.0%	99.0%		58.0%	53.0%	52.5%	50.0%	52.8%		
Total Net Sales	107.007.000	29.128.000	30,404,000	32.714.000	43.741.000	135.987.000	35,714,000	37.955.000	41.338.125	54,815,575	169.822.700	207.426.301	249.891.397
	. , ,	29,128,000	30,404,000	. , ,	., ,	, ,	, , ,	. ,,	,,	. ,,	, ,	. , .,	249,891,397
% change Y/Y	20.2%			29.0%	22.4%	27.1%	22.6%	24.8%	26.4%	25.3%	24.9%	22.1%	20.5%
% change Q/Q		-18.5%	4.4%	7.6%	33.7%		-18.4%	6.3%	8.9%	32.6%			
FX Benefit (Negative Impact)	(5,190,000)	(210,000)	166,000	52,000	(558,000)	(550,000)	(492,000)	(502,000)	(125,190)	854,655	(264,535)		
% change, ex-FX impact	26.1%	29.1%	30.4%	28.8%	23.9%	27.6%	24.3%	26.5%	26.7%	23.4%	25.1%		l
Net Sales by Geography (ex-AWS)	1 1										ı		1
North America													
Net Sales	63,709,000	16.996.000	17.674.000	18.874.000	26.240.000	79.784.000	20.992.000	22,370,000	23.979.611	32.505.359	99.846.970	120.579.840	143.601.571
% change	25.3%	26.8%	28.1%	25.8%	22.0%	25.2%	23.5%	26.6%	27.1%	23.9%	25.1%	20.8%	19.1%
% of retail sales	64%	64%	64%	64%	65%	64%	65%	66%	65%	65%	65%	65%	65%
70 of Foton Guido	0170	0170	0170	0170	3070	0170	0070	0070	0070	0070	0070	3070	5575
International													
Net Sales	35,418,000	9,566,000	9,844,000	10,609,000	13,965,000	43.984.000	11,061,000	11,485,000	12,912,098	17,502,886	52,960,984	64,216,850	77,323,923
% change	5.7%	23.5%	30.1%	28.3%	17.9%	24.2%	15.6%	16.7%	21.7%	25.3%	20.4%	21.3%	20.4%
FX Benefit (Negative Impact)	(5.023.400)	(168,950)	168.420	36.480	(505,720)	(469,770)	(513,860)	(524.680)	(125.190)	854.655	(264,535)	27.070	20.770
% change, ex-FX impact	20.7%	25.7%	27.9%	27.9%	23.0%	25.5%	21.0%	22.0%	22.9%	19.2%	21.0%		
% of retail sales	36%	36%	36%	36%	35%	36%	35%	34%	35%	35%	35%	35%	35%
70 Of Tetali Sales	3070	3070	3070	3070	3570	3070	3370	3470	3370	3370	3370	3370	3370
Gross Merchandise Value Build													
Amazon 1P sales	76,863,000	19,916,000	20,378,000	21,590,000	29,548,000	91,431,000	22,826,000	23.754.000	25,501,529	34,853,018	106,934,547	122,974,730	139,576,318
% change	12.2%	.,,	.,,	,,	.,,	19.0%	14.6%	16.6%	18.1%	18.0%	17.0%	15.0%	13.5%
Amazon 3P sales	16,086,000	4,801,000	5,083,000	5,652,000	7,456,000	22.993.000	6,438,000	6.991.000	8,004,211	10,397,683	31,830,894	42,175,934	54,828,714
% change	36.9%	.,,	-,,	-,,	.,,	42.9%	34.1%	37.5%	41.6%	39.5%	38.4%	32.5%	30.0%
3P blended take rate	12%	12%	12%	12%	12%	12%	12%	12%	12%	12%	12%	12%	12%
3P GMV	134,050,000	40.008.333	42.358.333	47,100,000	62,133,333	191,600,000	53.650.000	58.258.333	66,701,757	86,647,356	265,257,447	351,466,117	456,905,952
	,,	,,	,,	,,	,,	,,	,,	,,	,,	,,		,,	,,
Amazon GMV	210,913,000	59,924,333	62,736,333	68,690,000	91,681,333	283,032,000	76,476,000	82,012,333	92,203,287	121,500,374	372,191,994	474,440,847	596,482,270
% change	26.7%	33.8%	37.3%	37.4%	30.1%	34.2%	27.6%	30.7%	34.2%	32.5%	31.5%	27.5%	25.7%
1P as % of total GMV	36.4%	33.2%	32.5%	31.4%	32.2%	32.3%	29.8%	29.0%	27.7%	28.7%	28.7%	25.9%	23.4%
3P as % of total GMV	63.6%	66.8%	67.5%	68.6%	67.8%	67.7%	70.2%	71.0%	72.3%	71.3%	71.3%	74.1%	76.6%
3P as % of total units	45.5%	48.0%	49.0%	50.0%	49.0%	49.0%	50.0%	51.0%			l		l
North America GMV	135,553,949	38,343,271	40,293,697	43,972,970	59,836,294	182,449,624	50,085,302	54,190,397	59,932,136	78,975,243	243,195,737	309,572,652	387,713,476
% change	35.2%	35.1%	36.5%	36.4%	31.7%	34.6%	30.6%	34.5%	36.3%	32.0%	33.3%	27.3%	25.2%
% of total GMV	64.3%	64.0%	64.2%	64.0%	65.3%	64.5%	65.5%	66.1%	65.0%	65.0%	65.3%	65.3%	65.0%
International GMV	75,359,051	21,581,062	22,442,636	24,717,030	31,845,040	100,582,376	26,390,698	27,821,936	32,271,150	42,525,131	128,996,258	164,868,194	208,768,795
% change	14.0%	31.6%	38.7%	39.2%	27.3%	33.5%	22.3%	24.0%	30.6%	33.5%	28.2%	27.8%	26.6%
% of total GMV	35.7%	36.0%	35.8%	36.0%	34.7%	35.5%	34.5%	33.9%	35.0%	35.0%	34.7%	34.8%	35.0%
% OI LOLAI GIVIV	35.7%	პხ.0%	35.8%	36.0%	34.7%	35.5%	34.5%	33.9%	35.0%	ახ.0%	34.7%	34.8%	35.0%

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Figure 5: AMZN Segment Breakdown (Cont'd)

\$ in thousands, except per share data

	2015A	3/16A	6/16A	9/16A	12/16A	2016A	3/17A	6/17A	9/17E	12/17E	2017E	2018E	2019E
GROSS PROFIT													
North America	18,333,480	5,098,800	5,567,310	5,473,460	7,609,600	23,749,170	6,507,520	7,113,660	7,193,883	9,589,081	30,404,144	37,379,750	45,593,499
% change	34%	36%	32%	26%	26%	30%	28%	28%	31%	26%	28%	23%	22%
% margin	28.8%	30.0%	31.5%	29.0%	29.0%	29.8%	31.0%	31.8%	30.0%	29.5%	30.5%	31.0%	31.8%
International	9,142,520	2,597,200	2,770,690	2,756,540	3,646,400	11,770,830	3,113,480	3.302.340	3,486,267	4,682,022	14,584,108	17,980,718	22,423,938
% change	16%	30%	39%	27%	22%	29%	20%	19%	26%	28%	24%	23%	25%
% margin	25.8%	27.2%	28.1%	26.0%	26.1%	26.8%	28.1%	28.8%	27.0%	26.8%	27.5%	28.0%	29.0%
AWS	7,880,000	2,566,000	2,886,000	3,231,000	3,536,000	12,219,000	3,661,000	4,100,000	4,446,416	4,807,330	17,014,745	22,629,611	28,965,903
	7,880,000	2,566,000	2,886,000	3,231,000	3,536,000	12,219,000	3,661,000	4,100,000	4,446,416	4,807,330	17,014,745	22,629,611	28,965,903
% change													
% margin	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Total Consolidated	35,356,000	10,262,000	11,224,000	11,461,000	14,792,000	47,739,000	13,282,000	14,516,000	15,126,565	19,078,433	62,002,998	77,990,080	96,983,339
% change	35%	40%	40%	33%	30%	35%	29%	29%	32%	29%	30%	26%	24%
% margin	33.0%	35.2%	36.9%	35.0%	33.8%	35.1%	37.2%	38.2%	36.6%	34.8%	36.5%	37.6%	38.8%
FX Benefit (Negative Impact)	(1,724,058)	(73,984)	61,281	18,218	(188,700)	(183,186)	(182,974)	(191,991)	(45,810)	297,461	(123,315)		
% change ex-FX	41%	41%	39%	33%	31%	36%	31%	31%	32%	27%	30%	26%	24%
CASH OPERATING EXPENSES													
North America	15,582,480	4,174,800	4,410,310	4,779,460	6,285,600	19,650,170	5,460,080	6,016,700	6,457,301	8,192,493	26,126,574	30,431,178	36,099,068
% change	25%	29%	26%	25%	25%	26%	31%	36%	35%	30%	33%	16%	19%
% of sales	24.5%	24.6%	25.0%	25.3%	24.0%	24.6%	26.0%	26.9%	26.9%	25.2%	26.2%	25.2%	25.1%
International	9,233,520	2,577,200	2,682,690	3,088,540	3,900,400	12,248,830	3,385,480	3,720,340	4,125,901	5,106,687	16,338,409	18,069,325	20,532,512
% change	15%	24%	33%	39%	34%	33%	31%	39%	34%	31%	33%	11%	14%
% of sales	26.1%	26.9%	27.3%	29.1%	27.9%	27.8%	30.6%	32.4%	32.0%	29.2%	30.8%	28.1%	26.6%
AWS	6,016,000	1,850,000	2.023.000	2 210 000	2,430,000	8,513,000	2,595,440	2 926 960	3,247,060	3,507,321	12,276,781	16,437,877	21,203,314
% change	51%	1,050,000	2,023,000	2,210,000	2,430,000 41%	6,513,000 42%	2,595,440	2,920,900 45%	3,247,060	3,507,321	12,210,101	34%	21,203,314
% of sales	76.3%	72.1%	70.1%	68.4%	68.7%	69.7%	70.9%	71.4%	73.0%	73.0%	72.2%	72.6%	73.2%
								12,664,000					
Total Consolidated	30,832,000	8,602,000	9,116,000	10,078,000	12,616,000	40,412,000	11,441,000		13,830,262	16,806,502	54,741,764	64,938,380	77,834,893
% change	26%	30%	31%	32%	31%	31%	33%	39%	37%	33%	35%	19%	20%
% of sales	28.8%	29.5%	30.0%	30.8%	28.8%	29.7%	32.0%	33.4%	33.5%	30.7%	32.2%	31.3%	31.1%
NON-GAAP OPERATING INCOME (CSOI)													
North America (ex AWS starting '1Q13)	2,751,000	924,000	1,157,000	694,000	1,324,000	4,099,000	1,047,440	1,096,960	736,583	1,396,588	4,277,571	6,948,572	9,494,431
% change	113%	79%	65%	31%	32%	49%	13%	-5%	6%	5%	4%	62%	37%
% margin	4.3%	5.4%	6.5%	3.7%	5.0%	5.1%	5.0%	4.9%	3.1%	4.3%	4.3%	5.8%	6.6%
International (ex AWS starting '1Q13)	(91,000)	20,000	88,000	(332,000)	(254,000)	(478,000)	(272,000)	(418,000)	(639,635)	(424,665)	(1,754,300)	(88,607)	1,891,425
% change	-37%	NM	NM	NM	NM	NM	NM	NM	NM	NM	267%	-95%	-2235%
% margin	-0.3%	0.2%	0.9%	-3.1%	-1.8%	-1.1%	-2.5%	-3.6%	-5.0%	-2.4%	-3.3%	-0.1%	2.4%
AWS	1,864,000	716,000	863,000	1,021,000	1,106,000	3,706,000	1,065,560	1,173,040	1,199,355	1,300,009	4,737,964	6,191,734	7,762,589
% change	182%	170%	121%	96%	61%	99%	49%	36%	17%	18%	28%	31%	25%
-	24%	28%	30%	32%			29%	29%	27%	27%		27%	
% margin					31%	30%					28%		27%
Total Consolidated	4,524,000	1,660,000	2,108,000	1,383,000	2,176,000	7,327,000	1,841,000	1,852,000	1,296,303	2,271,931	7,261,234	13,051,700	19,148,446
% change	150%	135%	96%	39%	24%	62%	11%	-12%	-6%	4%	-1%	80%	47%
% margin	4.2%	5.7%	6.9%	4.2%	5.0%	5.4%	5.2%	4.9%	3.1%	4.1%	4.3%	6.3%	7.7%
SBC & AMORTIZATION OF OTHER INTANGIBLES													
North America	1,327,000	336,000	455,000	439,000	508,000	1,738,000	451,440	660,960	532,756	583,954	2,229,110	2,487,118	2,745,158
International	608,000	141,000	223,000	209,000	233,000	806,000	209,000	306,000	251,300	275,450	1,041,750	1,195,730	1,427,482
AWS	356,000	112,000	145,000	160,000	180,000	597,000	175,560	257,040	221,144	242,396	896,140	1,100,072	1,317,676
Total	2,291,000	589,000	823,000	808,000	921,000	3,141,000	836,000	1,224,000	1,005,200	1,101,800	4,167,000	4,782,920	5,490,315
% North America	58%	57%	55%	54%	55%	55%	54%	54%	53%	53%	53%	52%	50%
% International	27%	24%	27%	26%	25%	26%	25%	25%	25%	25%	25%	25%	26%
% AWS	16%	19%	18%	20%	20%	19%	21%	21%	22%	22%	22%	23%	24%
· ·	1							,-					
OPERATING INCOME													
OPERATING INCOME North America	1 424 000	588 000	702 000	255 000	816 000	2 361 000	506 000	436 000	203 827	812 634	2 048 464	4 461 454	
North America	1,424,000	588,000	702,000	255,000	816,000	2,361,000	596,000	436,000	203,827	812,634	2,048,461	4,461,454	6,749,274
North America % change	296%	131%	102%	37%	28%	66%	1%	-38%	-20%	0%	-13%	118%	51%
North America % change % margin	296% 2.2%	131% 3.5%	102% 4.0%	37% 1.4%	28% 3.1%	66% 3.0%	1% 2.8%	-38% 1.9%	-20% 0.9%	0% 2.5%	-13% 2.1%	118% 3.7%	51% 4.7%
North America % change % margin International	296% 2.2% (699,000)	131% 3.5% (121,000)	102% 4.0% (135,000)	37% 1.4% (541,000)	28% 3.1% (487,000)	66% 3.0% (1,284,000)	1% 2.8% (481,000)	-38% 1.9% (724,000)	-20% 0.9% (890,935)	0% 2.5% (700,115)	-13% 2.1% (2,796,050)	118% 3.7% (1,284,337)	51% 4.7% 463,944
North America % change % margin International % change	296% 2.2% (699,000) <i>NM</i>	131% 3.5% (121,000) <i>NM</i>	102% 4.0% (135,000) <i>NM</i>	37% 1.4% (541,000) <i>NM</i>	28% 3.1% (487,000) <i>NM</i>	66% 3.0% (1,284,000) <i>NM</i>	1% 2.8% (481,000) <i>NM</i>	-38% 1.9% (724,000) <i>NM</i>	-20% 0.9% (890,935) <i>NM</i>	0% 2.5% (700,115) <i>NM</i>	-13% 2.1% (2,796,050) <i>NM</i>	118% 3.7% (1,284,337) NM	51% 4.7% 463,944 <i>NM</i>
North America % change % margin International % change % margin	296% 2.2% (699,000) <i>NM</i> -2.0%	131% 3.5% (121,000) <i>NM</i> -1.3%	102% 4.0% (135,000) NM -1.4%	37% 1.4% (541,000) <i>NM</i> -5.1%	28% 3.1% (487,000) <i>NM</i> -3.5%	66% 3.0% (1,284,000) <i>NM</i> -2.9%	1% 2.8% (481,000) <i>NM</i> -4.3%	-38% 1.9% (724,000) <i>NM</i> -6.3%	-20% 0.9% (890,935) <i>NM</i> -6.9%	0% 2.5% (700,115) <i>NM</i> -4.0%	-13% 2.1% (2,796,050) <i>NM</i> -5.3%	118% 3.7% (1,284,337) NM -2.0%	51% 4.7% 463,944 <i>NM</i> 0.6%
North America % change % margin International % change % margin AWS	296% 2.2% (699,000) <i>NM</i> -2.0% 1,508,000	131% 3.5% (121,000) <i>NM</i> -1.3% 604,000	102% 4.0% (135,000) NM -1.4% 718,000	37% 1.4% (541,000) <i>NM</i> -5.1% 861,000	28% 3.1% (487,000) <i>NM</i> -3.5% 926,000	66% 3.0% (1,284,000) <i>NM</i> -2.9% 3,109,000	1% 2.8% (481,000) <i>NM</i> -4.3% 890,000	-38% 1.9% (724,000) <i>NM</i> -6.3% 916,000	-20% 0.9% (890,935) <i>NM</i> -6.9% 978,211	0% 2.5% (700,115) <i>NM</i> -4.0% 1,057,613	-13% 2.1% (2,796,050) <i>NM</i> -5.3% 3,841,824	118% 3.7% (1,284,337) NM -2.0% 5,091,663	51% 4.7% 463,944 <i>NM</i> 0.6% 6,444,913
North America % change % margin International % change % margin AWS % change	296% 2.2% (699,000) <i>NM</i> -2.0% 1,508,000 229%	131% 3.5% (121,000) NM -1.3% 604,000 210%	102% 4.0% (135,000) NM -1.4% 718,000 135%	37% 1.4% (541,000) <i>NM</i> -5.1% 861,000 101%	28% 3.1% (487,000) <i>NM</i> -3.5% 926,000 60%	66% 3.0% (1,284,000) <i>NM</i> -2.9% 3,109,000 106%	1% 2.8% (481,000) <i>NM</i> -4.3% 890,000 47%	-38% 1.9% (724,000) <i>NM</i> -6.3% 916,000 28%	-20% 0.9% (890,935) <i>NM</i> -6.9% 978,211 14%	0% 2.5% (700,115) <i>NM</i> -4.0% 1,057,613 14%	-13% 2.1% (2,796,050) <i>NM</i> -5.3% 3,841,824 24%	3.7% (1,284,337) <i>NM</i> -2.0% 5,091,663 33%	51% 4.7% 463,944 <i>NM</i> 0.6% 6,444,913 27%
North America % change % margin International % change % margin AWS	296% 2.2% (699,000) <i>NM</i> -2.0% 1,508,000	131% 3.5% (121,000) <i>NM</i> -1.3% 604,000	102% 4.0% (135,000) NM -1.4% 718,000	37% 1.4% (541,000) <i>NM</i> -5.1% 861,000	28% 3.1% (487,000) <i>NM</i> -3.5% 926,000	66% 3.0% (1,284,000) <i>NM</i> -2.9% 3,109,000	1% 2.8% (481,000) <i>NM</i> -4.3% 890,000	-38% 1.9% (724,000) <i>NM</i> -6.3% 916,000	-20% 0.9% (890,935) <i>NM</i> -6.9% 978,211	0% 2.5% (700,115) <i>NM</i> -4.0% 1,057,613	-13% 2.1% (2,796,050) <i>NM</i> -5.3% 3,841,824	118% 3.7% (1,284,337) NM -2.0% 5,091,663	51% 4.7% 463,944 <i>NM</i> 0.6% 6,444,913
North America % change % margin International % change % margin AWS % change % margin	296% 2.2% (699,000) <i>NM</i> -2.0% 1,508,000 229% 19.1%	131% 3.5% (121,000) NM -1.3% 604,000 210% 23.5%	102% 4.0% (135,000) NM -1.4% 718,000 135% 24.9%	37% 1.4% (541,000) NM -5.1% 861,000 101% 26.6%	28% 3.1% (487,000) <i>NM</i> -3.5% 926,000 60% 26.2%	66% 3.0% (1,284,000) <i>NM</i> -2.9% 3,109,000 <i>106%</i> 25.4%	1% 2.8% (481,000) NM -4.3% 890,000 47% 24.3%	-38% 1.9% (724,000) NM -6.3% 916,000 28% 22.3%	-20% 0.9% (890,935) <i>NM</i> -6.9% 978,211 14% 22.0%	0% 2.5% (700,115) <i>NM</i> -4.0% 1,057,613 14% 22.0%	-13% 2.1% (2,796,050) <i>NM</i> -5.3% 3,841,824 24% 22.6%	118% 3.7% (1,284,337) NM -2.0% 5,091,663 33% 22.5%	51% 4.7% 463,944 <i>NM</i> 0.6% 6,444,913 27% 22.3%
North America % change % margin International % change % margin AWS % change % margin Total Consolidated	296% 2.2% (699,000) NM -2.0% 1,508,000 229% 19.1% 2,233,000	131% 3.5% (121,000) NM -1.3% 604,000 210% 23.5%	102% 4.0% (135,000) NM -1.4% 718,000 135% 24.9%	37% 1.4% (541,000) <i>NIM</i> -5.1% 861,000 101% 26.6%	28% 3.1% (487,000) NM -3.5% 926,000 60% 26.2%	66% 3.0% (1,284,000) <i>NM</i> -2.9% 3,109,000 106% 25.4%	1% 2.8% (481,000) NM -4.3% 890,000 47% 24.3%	-38% 1.9% (724,000) <i>NM</i> -6.3% 916,000 28% 22.3%	-20% 0.9% (890,935) <i>NM</i> -6.9% 978,211 14% 22.0%	0% 2.5% (700,115) <i>NM</i> -4.0% 1,057,613 14% 22.0%	-13% 2.1% (2,796,050) NM -5.3% 3,841,824 22.6% 3,094,234	118% 3.7% (1,284,337) NM -2.0% 5,091,663 33% 22.5% 8,268,780	51% 4.7% 463,944 <i>NM</i> 0.6% 6,444,913 27% 22.3%
North America % change % margin International % change % margin AWS % change % margin	296% 2.2% (699,000) <i>NM</i> -2.0% 1,508,000 229% 19.1%	131% 3.5% (121,000) NM -1.3% 604,000 210% 23.5%	102% 4.0% (135,000) NM -1.4% 718,000 135% 24.9%	37% 1.4% (541,000) NM -5.1% 861,000 101% 26.6%	28% 3.1% (487,000) <i>NM</i> -3.5% 926,000 60% 26.2%	66% 3.0% (1,284,000) <i>NM</i> -2.9% 3,109,000 <i>106%</i> 25.4%	1% 2.8% (481,000) NM -4.3% 890,000 47% 24.3%	-38% 1.9% (724,000) NM -6.3% 916,000 28% 22.3%	-20% 0.9% (890,935) NM -6.9% 978,211 14% 22.0%	0% 2.5% (700,115) <i>NM</i> -4.0% 1,057,613 14% 22.0%	-13% 2.1% (2,796,050) <i>NM</i> -5.3% 3,841,824 24% 22.6%	118% 3.7% (1,284,337) NM -2.0% 5,091,663 33% 22.5%	51% 4.7% 463,944 <i>NM</i> 0.6% 6,444,913 27% 22.3%

Source: J.P. Morgan estimates, Company data.

North America Equity Research 28 July 2017 J.P.Morgan

Amazon.com: Summary of Financials

Amazon.com. our					iuis					
Income Statement - Annual		FY16A	FY17E	FY18E	FY19E	Income Statement - Quarterly	1Q17			4Q17E
Revenue	,	135,987	,		249,891	Revenue		A 37,955A		
COGS			·	(129,436)		COGS		A (23,439)A	· · /	
Gross profit	35,356	,	62,003	77,990	96,983	Gross profit		A 14,516A	,	,
SG&A	(6,585)	(9,027)	(12,380)	(15,156)	(18,111)	SG&A	(2,535)A (2,851)A	(3,124)	(3,870)
Adj. EBITDA	10,805	15,444	18,086	26,526	35,077	Adj. EBITDA	4,270			5,268
D&A	(6,452)	(8,283)	(11,008)	(13,676)	(16,150)	D&A	(2,479			(3,034)
Adj. EBIT	4,524	7,327	7,261	13,052	19,148	Adj. EBIT	1,84			2,272
Net Interest	(411)	(383)	(392)	(339)	(315)	Net Interest	(100			(93)
Adj. PBT	3,838	6,937	7,053	12,712	18,833	Adj. PBT	1,789			2,178
Tax	(951)	(1,425)	(1,013)	(1,982)	(3,336)	Tax	(229)A (467)A	(48)	(269)
Minority Interest			-			Minority Interest				
Adj. Net Income	2,908	5,608	6,041	10,730	15,498	Adj. Net Income	1,560			1,909
Reported EPS	1.25	4.90	3.80	11.98	20.00	Reported EPS	1.48			1.63
Adj. EPS	6.10	11.59	12.27	21.62	30.97	Adj. EPS	3.18	A 2.89A		3.86
DPS	-	-	•	-	-	DPS			-	-
Payout ratio	-	-	-	-	-	Payout ratio	4		-	-
Shares outstanding	467	474	479	483	487	Shares outstanding	47	'A 479A	480	481
Balance Sheet & Cash Flow Statement	FY15A		FY17E	FY18E	FY19E	Ratio Analysis FY1				FY19E
Cash and cash equivalents	19,808	25,981	26,835	28,875	36,391	Gross margin 33	0% 35.1	% 36.5%	37.6%	38.8%
Accounts receivable	5,654	8,339	10,963	12,446	14,369	EBITDA margin 10	1% 11.4	% 10.7%	12.8%	14.0%
Inventories	10,243	11,461	13,156	14,520	16,243	EBIT margin 4	2% 5.4	% 4.3%	6.3%	7.7%
Other current assets	0	0	0	0	0	Net profit margin 2	.7% 4.1	% 3.6%	5.2%	6.2%
Current assets	35,705	45,781	50,953	55,840	67,003					
PP&E	21,838	29,114	43,570	58,097	73,155	ROE 24	1% 34.3	% 26.6%	34.1%	34.9%
LT investments	0	0	0	0	0	ROA 4	.9% 7.6	% 6.4%	9.4%	11.4%
Other non current assets	7,204	8,507	9,618	9,418	9,197		8% 24.0	% 20.4%	28.1%	30.3%
Total assets	64,747	83,402	104,141	123,355	149,355	SG&A/Sales 6	2% 6.6	% 7.3%	7.3%	7.2%
						Net debt/equity (86.5	5%) (94.89	%) (73.1%)	(57.7%)	(55.2%)
Short term borrowings	0	0	0	0	0					
Payables	20,397	25,309	31,519	37,337	43,731	` '	1.6 90			33.8
Other short term liabilities	13,490	18,507	22,376	25,243	29,571	()	6.5 25		13.8	9.8
Current liabilities	33,887	43,816	53,895	62,579	73,302	()	6.6 32	.1 27.4	18.6	13.9
Long-term debt	8,227	7,694	7,683	7,683	7,683	Dividend Yield	-		-	-
Other long term liabilities	9,249	12,607	16,364	16,364	16,364	2				
Total liabilities	51,363	64,117	77,942	86,626	97,349	Sales/Assets (x)		.8 1.8		1.8
Shareholders' equity	13,384	19,285	26,200	36,729	52,005	(/	26.3 40			111.3
Minority interests		-	-	-	-	Operating leverage 741	9% 228.8	% (3.6%)	360.1%	228.2%
Total liabilities & equity	64,747	•	104,141	123,355	149,355					
BVPS	28.66	40.69	54.65	76.01	106.77		2% 27.1			20.5%
y/y Growth	23.3%	42.0%	34.3%	39.1%	40.5%	EBITDA y/y Growth 64	9% 42.9			32.2%
Net debt/(cash)	(11,581)	(18,287)	(19,152)	(21,192)	(28,708)	Tax rate 24	8% 20.5	% 14.4%		17.7%
						Adj. Net Income y/y Growth 115				44.4%
Cash flow from operating activities	12,039		19,866	30,043	38,503	EPS y/y Growth 110	3% 90.1	% 5.9%	76.2%	43.3%
o/w Depreciation & amortization	6,281	8,117	10,825	13,475	15,929	DPS y/y Growth	-		-	-
o/w Changes in working capital	2,556	3,916	2,816	5,838	7,077					
Cash flow from investing activities	(6,450)	(9,876)	(12,710)	(12,578)						
o/w Capital expenditure	(4,588)	, ,	(10,405)	(12,578)	(13,918)					
as % of sales	4.3%		6.1%	6.1%	5.6%					
Cash flow from financing activities	(3,882)	(3,740)	(8,377)	(15,425)	(17,069)					
o/w Dividends paid	-	-	-	-	-					
o/w Net debt issued/(repaid)	(1,299)	265	(33)	0	0					
Net change in cash	1,333	3,444	(747)	2,040	7,516					
Free cash flow to firm	7,760		9,796	17,752	24,844					
y/y Growth	268.2%	39.7%	(9.6%)	81.2%	40.0%					

Source: Company reports and J.P. Morgan estimates.

Note: \$ in millions (except per-share data). Fiscal year ends Dec. o/w - out of which

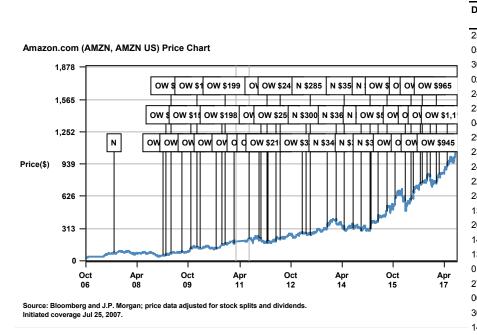
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Date	Rating	Share Price (\$)	Price Target (\$)
25-Jul-07	N	86.18	-
05-Jan-09	OW	54.06	65.00
30-Jan-09	OW	50.00	74.00
02-Apr-09	OW	76.34	91.00
24-Jul-09	OW	86.49	108.00
23-Oct-09	OW	118.49	150.00
04-Jan-10	OW	133.90	175.00
29-Jan-10	OW	125.41	180.00
23-Jul-10	OW	118.87	154.00
24-Sep-10	OW	160.73	198.00
22-Oct-10	OW	164.97	199.00
28-Jan-11	OW	171.14	192.00
13-Jul-11	OW	211.23	251.00
26-Oct-11	OW	227.15	230.00
14-Nov-11	OW	217.39	250.00
13-Jan-12	OW	178.42	235.00
01-Feb-12	OW	194.44	210.00
27-Apr-12	OW	195.99	250.00
06-Jun-12	OW	217.64	245.00
30-Jan-13	OW	260.35	333.00
14-Mar-13	N	265.74	300.00
26-Apr-13	N	254.81	285.00
25-Oct-13	N	332.21	340.00

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29-Jan-14	N	384.20	365.00
24-Apr-14	N	303.83	350.00
25-Jul-14	N	324.01	340.00
24-Oct-14	N	287.06	307.00
26-Jan-15	N	306.75	323.00
30-Jan-15	N	311.78	375.00
24-Apr-15	OW	389.99	535.00
24-Jul-15	OW	482.18	710.00
23-Oct-15	OW	599.03	800.00
29-Jan-16	OW	587.00	825.00
07-Apr-16	OW	591.43	822.00
29-Apr-16	OW	659.59	915.00
12-Jul-16	OW	748.21	908.00
29-Jul-16	OW	758.81	925.00
27-Sep-16	OW	799.16	1000.00
28-Oct-16	OW	818.36	975.00
03-Jan-17	OW	753.67	965.00
03-Feb-17	OW	839.95	945.00
28-Apr-17	OW	918.38	1110.00

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	Overweigh	t Neutral	Underweight
	(buy)	(hold)	(sell)
J.P. Morgan Global Equity Research Coverage	44%	45%	11%
IB clients*	52%	50%	31%
JPMS Equity Research Coverage	44%	50%	6%
IB clients*	68%	65%	46%

^{*}Percentage of investment banking clients in each rating category.

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