AMAZON.COM NDQ-AMZN

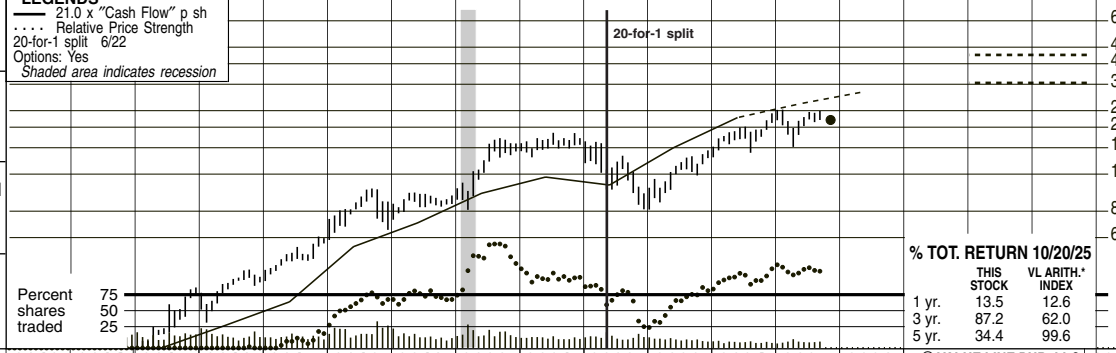
RECENT PRICE **216.48** | P/E RATIO **31.6** (Trailing: 33.0 Median: NMF) | RELATIVE P/E RATIO **1.67** | DIV'D YLD **Nil** | VALUE LINE

TIMELINESS 3 Lowered 3/21/25
SAFETY 2 Lowered 2/3/23
TECHNICAL 2 Raised 10/31/25
BETA 1.15 (1.00 = Market)

High:	20.4	34.8	42.4	60.7	102.5	98.2	177.6	188.7	171.4	155.6	233.0	242.5
Low:	14.2	14.3	23.7	37.4	58.5	73.0	81.3	144.0	81.7	81.4	144.1	161.4

Target Price Range 2028 | 2029 | 2030

LEGENDS
— 21.0 x "Cash Flow" p sh
.... Relative Price Strength
20-for-1 split 6/22
Options: Yes
Shaded area indicates recession



18-Month Target Price Range

Low-High	Midpoint (% to Mid)
$183-$365	$274 (25%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	440	(+105%)	19%
Low	325	(+50%)	11%

Institutional Decisions

	4Q2024	1Q2025	2Q2025
to Buy	3008	2815	3070
to Sell	2002	2337	2049
Hld's(000)	7457622	6684053	6935390

% TOT. RETURN 10/20/25

	THIS STOCK	VL ARITH.* INDEX
1 yr.	13.5	12.6
3 yr.	87.2	62.0
5 yr.	34.4	99.6

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
2.76	3.79	5.28	6.72	8.11	9.58	11.36	14.25	18.37	23.72	28.16	38.38	46.15	50.18	55.36	60.22	*66.15*	*72.15*	Revenues per sh	*97.20*
.14	.19	.19	.25	.38	.49	.73	1.10	1.42	2.59	3.35	4.63	5.53	5.07	7.62	10.58	*12.35*	*14.10*	"Cash Flow" per sh	*21.00*
.10	.13	.07	.01	.03	d.03	.06	.25	.23	1.01	1.15	2.09	2.14	.98	2.90	5.53	*6.75*	*7.65*	Earnings per sh A	*10.95*
--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	*Nil*	*Nil*	Div'ds Decl'd per sh	*Nil*
.04	.11	.20	.42	.38	.53	.49	.71	1.24	1.37	1.69	3.99	6.00	6.21	5.08	7.84	*9.35*	*9.90*	Cap'l Spending per sh	*9.25*
.59	.76	.85	.90	1.06	1.16	1.42	2.02	2.86	4.43	6.23	9.28	13.58	14.26	19.44	27.00	*32.70*	*37.10*	Book Value per sh	*64.60*
8880.0	9020.0	9101.4	9091.0	9185.3	9287.7	9420.0	9540.0	9680.0	9820.0	9960.0	10060	10180	10242	10383	10593	*10670*	*10700*	Common Shs Outst'g B	*10800*
42.8	NMF	NMF	NMF	NMF	--	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	41.9	33.3	*Bold figures are*		Avg Ann'l P/E Ratio	*35.0*
2.85	NMF	NMF	NMF	NMF	--	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	2.33	1.76	*Value Line*		Relative P/E Ratio	*1.95*
--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	*estimates*		Avg Ann'l Div'd Yield	*Nil*

CAPITAL STRUCTURE as of 6/30/25

Total Debt $50.7 bill. **Due in 5 Yrs** $27.9 bill.
LT Debt $50.7 bill. **LT Interest** $2.4 bill.
(25% of Cap'l)

Leases, Uncapitalized: $12.0 bill.

No Defined Benefit Pension Plan

Common Stock 10,664,912,097 shs.
as of 7/23/25

MARKET CAP: $2.31 trillion (Large Cap)

2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026		28-30
107006	135987	177866	232887	280522	386064	469822	513983	574785	637959	*706000*	*772000*	Revenues ($mill)	*1050000*
8.0%	9.0%	8.8%	11.9%	13.0%	12.5%	12.6%	10.5%	14.9%	19.1%	*20.0%*	*21.0%*	Operating Margin	*24.0%*
6281.0	8116.0	11478	15341	21789	25251	34296	41921	48663	52795	*59000*	*67000*	Depreciation ($mill)	*105000*
596.0	2371.0	2244.0	10073	11588	21331	22014	9978.0	30425	59248	*72905*	*83930*	Net Profit ($mill)	*121600*
60.6%	36.6%	25.5%	10.6%	17.0%	11.8%	16.5%	--	19.0%	13.5%	*18.0%*	*18.0%*	Income Tax Rate	*20.0%*
.6%	1.7%	1.3%	4.3%	4.1%	5.5%	4.7%	1.9%	5.3%	9.3%	*10.3%*	*10.9%*	Net Profit Margin	*11.6%*
2575.0	1965.0	2314.0	6710.0	8522.0	6348.0	19314	d8602	7434.0	11436	*13500*	*17000*	Working Cap'l ($mill)	*19500*
8235.0	7694.0	24694	23495	23414	31816	48744	67150	68391	61850	*50000*	*70000*	Long-Term Debt ($mill)	*75000*
13384	19285	27709	43549	62060	93404	138245	146043	201875	285970	*348880*	*396810*	Shr. Equity ($mill)	*697585*
3.8%	9.7%	5.1%	16.1%	14.5%	17.7%	12.3%	5.2%	11.8%	17.4%	*18.0%*	*18.0%*	Return on Total Cap'l	*15.5%*
4.5%	12.3%	8.1%	23.1%	18.7%	22.8%	15.9%	6.8%	15.1%	20.7%	*21.0%*	*21.0%*	Return on Shr. Equity	*17.5%*
4.5%	12.3%	8.1%	23.1%	18.7%	22.8%	15.9%	6.8%	15.1%	20.7%	*21.0%*	*21.0%*	Retained to Com Eq	*17.5%*
--	--	--	--	--	--	--	--	--	--	*Nil*	*Nil*	All Div'ds to Net Prof	*Nil*

CURRENT POSITION ($MILL.)	2023	2024	6/30/25
Cash Assets	86780	101202	93180
Inventory (Avg Cst)	33318	34214	40825
A/R & Other	52253	55451	57415
Current Assets	172351	190867	191420
Accts Payable	84981	94363	98285
Debt Due	--	--	--
Other	79936	85068	88636
Current Liab.	164917	179431	186921

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	21.0%	18.5%	*10.0%*
"Cash Flow"	35.5%	26.0%	*18.0%*
Earnings	87.0%	31.5%	*23.0%*
Dividends	--	--	*Nil*
Book Value	34.5%	35.0%	*21.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	116444	121234	127101	149204	513983
2023	127358	134383	143083	169961	574785
2024	143313	147977	158877	187792	637959
2025	155670	167702	*177600*	*205028*	*706000*
2026	*171000*	*180000*	*191000*	*230000*	*772000*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	.37	.18	.17	.25	.98
2023	.31	.65	.94	1.00	2.90
2024	.98	1.26	1.43	1.86	5.53
2025	1.59	1.68	*1.60*	*1.88*	*6.75*
2026	*1.70*	*1.80*	*1.90*	*2.25*	*7.65*

Cal-endar	QUARTERLY DIVIDENDS PAID Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	NO CASH DIVIDENDS BEING PAID				
2022					
2023					
2024					
2025					

BUSINESS: Amazon.com is one of the largest online retailers. The company opened its virtual doors in 1995. Sales breakdown (2024): North America; 61% of sales. International sales, 22% of total. Amazon Web Services (AWS), 17%. Third-party sellers (*Marketplace*) account for about 23% of sales. Seasonality: Q4 accounted for 29% of '24 revenue. Acquired Audible.com, '08, Zappos, '09, Whole Foods Market, '17. Has about 1,556,000 employees. Officers and directors own 9.7% of common stock (including Exec. Chair Jeffrey Bezos' 9.6%); Vanguard, 7.3% (4/25 proxy). President & CEO: Andrew R. Jassy. Incorporated: Delaware. Address: 410 Terry Avenue North, Seattle, Washington 98109. Telephone: 206-266-1000. Internet: www.amazon.com.

Amazon.com's most recent quarterly results did not live up to elevated expectations. Although the consumer-side of the business performed well, Amazon Web Services' (AWS) results were not well received. Revenue growth came in line with our 17.5% estimate, but this pace, which was similar to the prior two quarters (yet maybe capacity constrained), paled in comparison to that of Microsoft's Azure. The latter cloud service's growth accelerated sharply, leading to questions about competition and concerns that Amazon is starting to fall behind in the critical AI race. The shares sold off swiftly in the next trading session, and have underperformed other prominent technology stocks over the past three months.

We expect third-quarter results, due on October 30th, will answer investor concerns. AWS revenue is estimated to come in about 18%-19% ahead of last year's level. In addition to an update on the rate growth and possible new deals, efforts to internally develop AI chips will likely be a focal point for Wall Street. Amazon is offering less expensive alternatives to Nvidia chips to satisfy some of its customers. Meanwhile, the rollout of the new satellite program, *Project Kuiper*, and further AWS investments may constrain margins, leading to decelerating year-over-year earnings growth.

The core e-commerce business is still producing enormous growth. Although minor regulatory risks will always be an issue (a $2.5 billion suit by the FTC was just lost), Amazon's non-AWS operations ought to continue taking share in most categories. New perishable/fresh groceries and a private label brand were recently rolled out. Through the first half of 2025, non-AWS operating income rose 41%, and was 57% of total. Roughly 230 million *Prime* accounts provide a stable, powerful source of funds for initiatives to improve logistics & fulfillment, new entertainment endeavors, and advertising ventures.

Amazon is neutrally ranked for year-ahead price performance. Wall Street's recent concern over AWS, as well as softening consumer sentiment, has pushed the price-to-earnings ratio lower. At this level, long-term investors should see worthwhile returns over the long haul.

Charles C. Moran *October 31, 2025*

(A) Diluted earnings. Includes stock-based compensation: '09, (77¢). Excludes other non-recurring items: '12, (38¢); '17, $1.60; '21, $21.95; '22, ($1.25). Quarterly revenues and earnings may not sum due to rounding. Next earnings report due late Jan.
(B) In millions.

Company's Financial Strength	A++
Stock's Price Stability	55
Price Growth Persistence	90
Earnings Predictability	40

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