

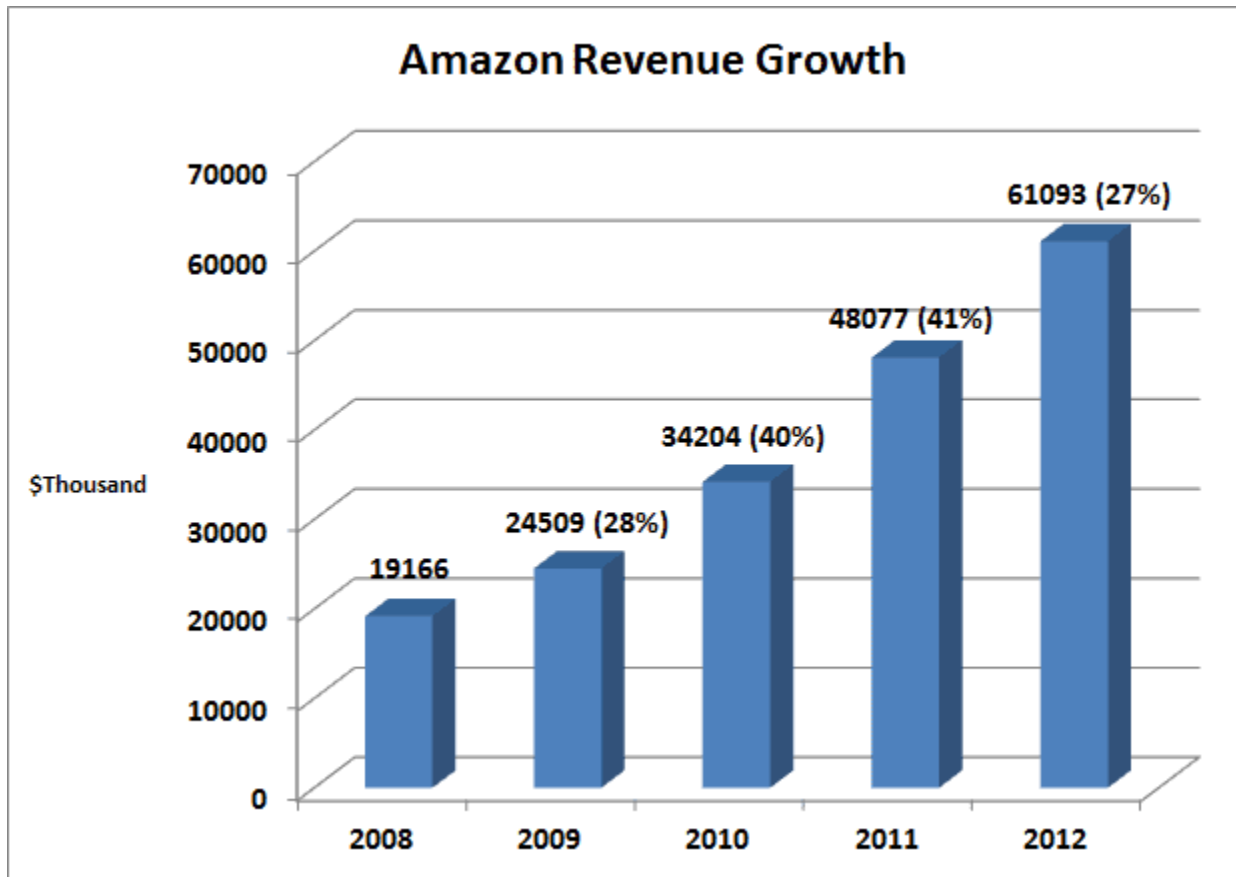
# SupplyChainDigest™

Your First Stop for Supply Chain Information

March 15, 2013

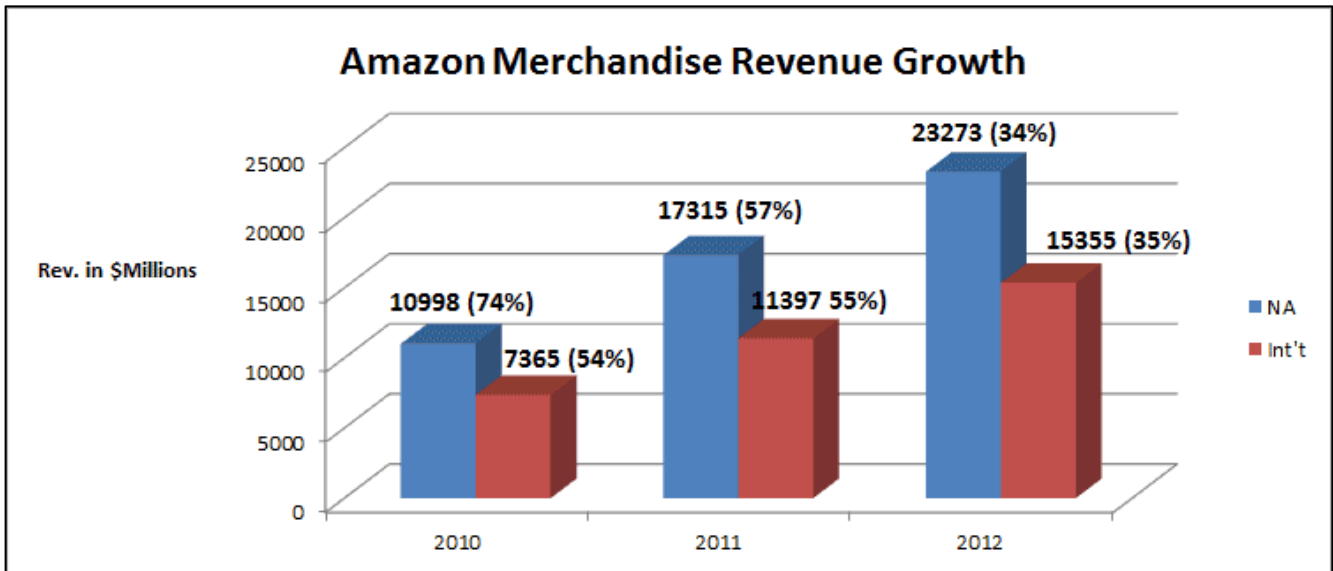
## Understanding Amazon.com – By the Numbers

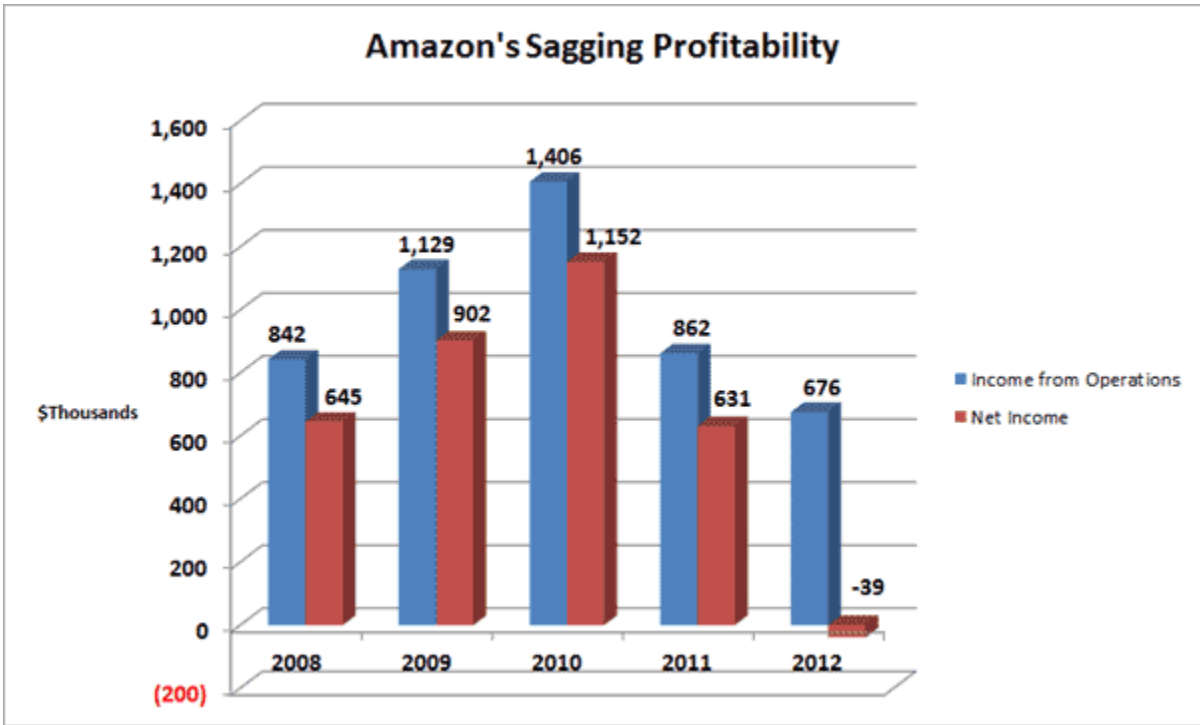
by SCDigest Editorial Staff



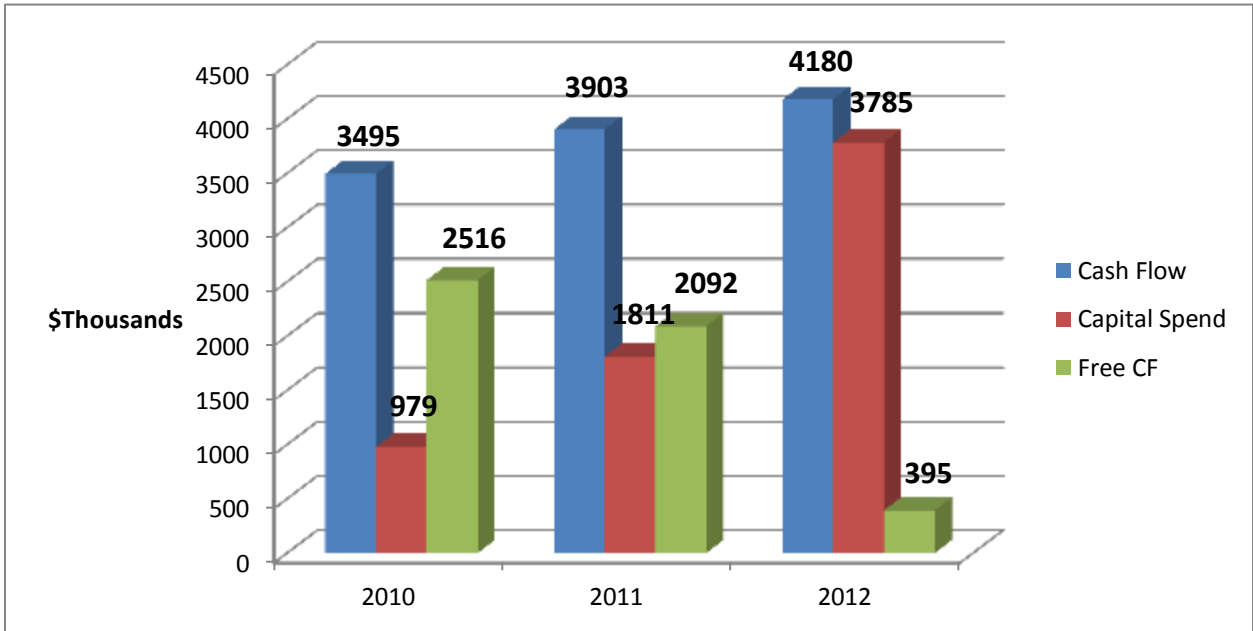
## Revenue Split Between North America and International

	Year Ended December 31,		
	2012	2011	2010
<b>Net Sales:</b>			
North America	\$ 34,813	\$26,705	\$ 18,707
International	26,280	21,372	15,497
Consolidated	<u>\$61,093</u>	<u>\$ 48,077</u>	<u>\$ 34,204</u>
<b>Year-over-year Percentage Growth:</b>			
North America	30%	43%	46%
International	23	38	33
Consolidated	27	41	40
<b>Year-over-year Percentage Growth, excluding effect of exchange rates:</b>			
North America	30%	43%	46%
International	27	31	34
Consolidated	29	37	40
<b>Net Sales Mix:</b>			
North America	57%	56%	55%
International	43	44	45
Consolidated	<u>100%</u>	<u>100%</u>	<u>100%</u>

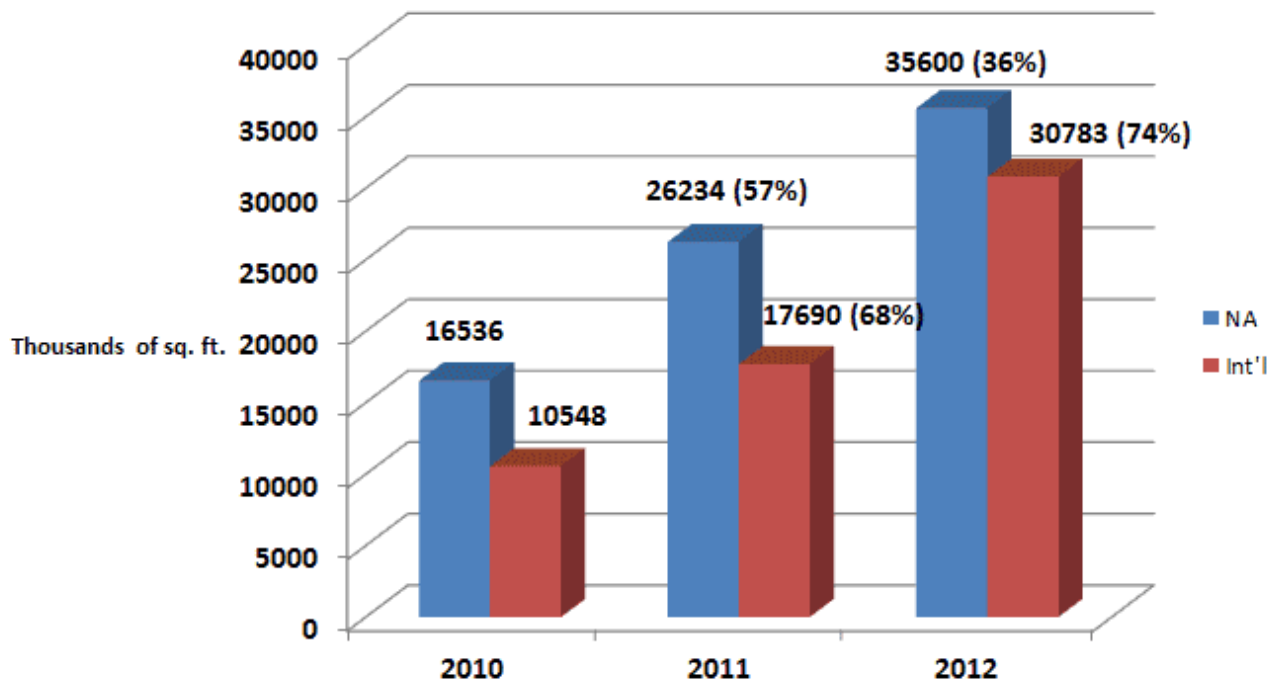




### Operating Cash Flows Growing, Free Cash Flow Shrinking Due to Massive Investment Levels



## Amazon Fulfillment Center Growth



## Amazon Uses Shipping as a Weapon, As Costs Decreases as Network Grows

	Year Ended December 31,		
	2012	2011	2010
<b>Shipping Activity:</b>			
Shipping revenue (1)(2)(3)	\$ 2,280	\$ 1,552	\$ 1,193
Outbound shipping costs	(5,134)	(3,989)	(2,579)
Net shipping cost	<u>\$ (2,854)</u>	<u>\$ (2,437)</u>	<u>\$ (1,386)</u>
<b>Year-over-year Percentage Growth:</b>			
Shipping revenue	47%	30%	29%
Outbound shipping costs	29	55	45
Net shipping cost	17	76	63
<b>Percent of Net Sales:</b>			
Shipping revenue	3.7%	3.2%	3.5%
Outbound shipping costs	(8.4)	(8.3)	(7.5)
Net shipping cost	<u>(4.7)%</u>	<u>(5.1)%</u>	<u>(4.0)%</u>

## Amazon Fulfillment Costs as % of Sales

