

Amazon delivers strong profits, shares rally

April 27 2017

US online giant Amazon on Thursday delivered stronger-than-expected financial results for the first quarter, pushing shares higher.

Profit rose 41 percent from a year ago to \$724 million, on revenues growing 23 percent to \$35.7 billion.

The results fueled a 3.5 percent jump in after-hours trade in shares of Amazon, which has leveraged its position as an online retailer to push into streaming video, cloud computing and other segments as it expands its global footprint.

Amazon founder and chief executive Jeff Bezos used the earnings report to highlight the company's efforts to expand in India.

"Our India team is moving fast and delivering for customers and sellers," Bezos said.

"We're grateful that customers are responding—Amazon.in is the most visited and the fastest growing marketplace in India. It's still Day 1 for e-commerce in India, and I assure you that we'll keep investing in technology and infrastructure while working hard to invent on behalf of our customers and small and medium businesses in India."

A big chunk of growth came from Amazon Web Services, the huge cloud-computing unit that powers internet services for business.

AWS revenue grew 43 percent to \$3.7 billion, pulling in operating

profits of \$890 million.

Amazon did not break down revenues for its streaming service, which rivals Netflix and is now available in some 200 markets.

Nor did it offer details on its Prime subscription service, which offers free delivery for many items and is linked to video, music and other benefits.

But a recent report by Consumer Intelligence Research Partners said Amazon Prime now has 80 million US members, who spend on average about \$1,300 per year.

That compares with an estimated 58 million US members a year earlier.

Amazon also has been pushing into artificial intelligence and home automation with its Alexa-powered devices which serve as digital assistants.

Alexa was one of the big winners at this year's Consumer Electronics Show, cropping up in TVs, cars, fridges—you name it—in what appeared to be a breakthrough moment for the smart technology.

Amazon hit another milestone this year with three Academy Awards for its original movie Manchester by the Sea, and it won the right to stream Thursday night National Football League games in the upcoming season.

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Citation: Amazon delivers strong profits, shares rally (2017, April 27) retrieved 22 September 2024 from <https://phys.org/news/2017-04-amazon-strong-profits-rally.html>

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