



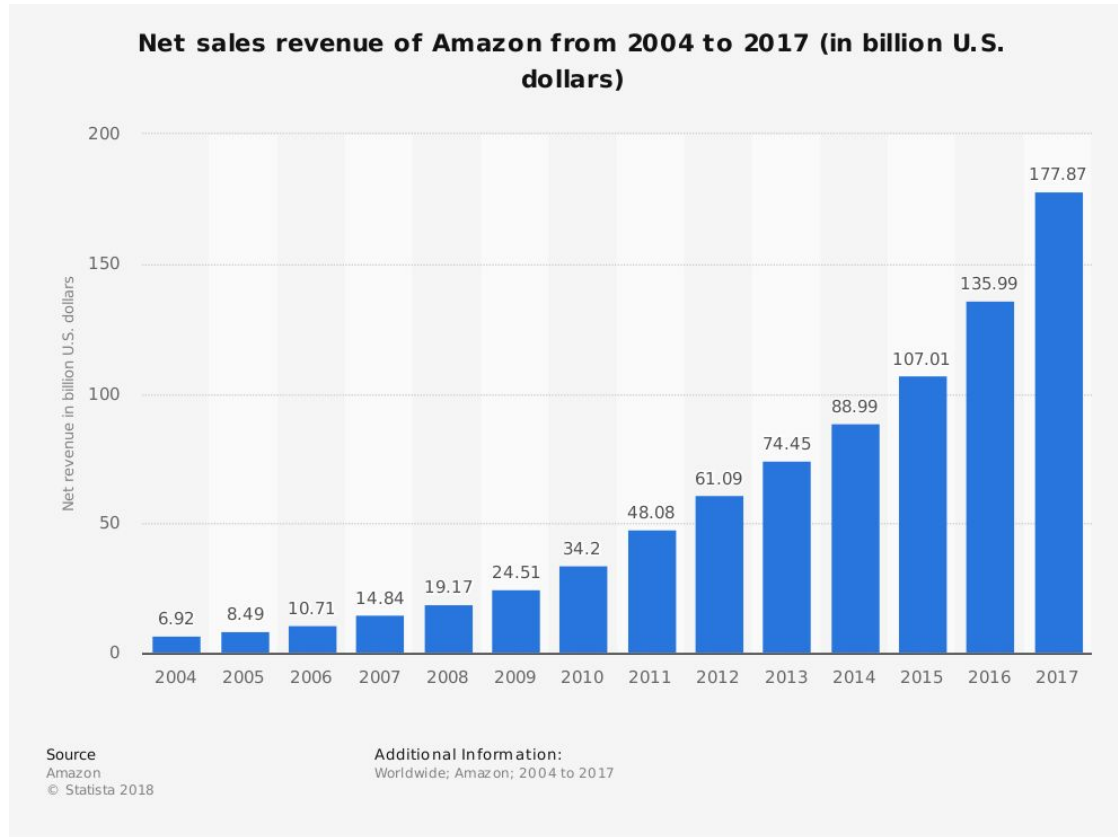
Amazon vs. Ebay Company Analysis

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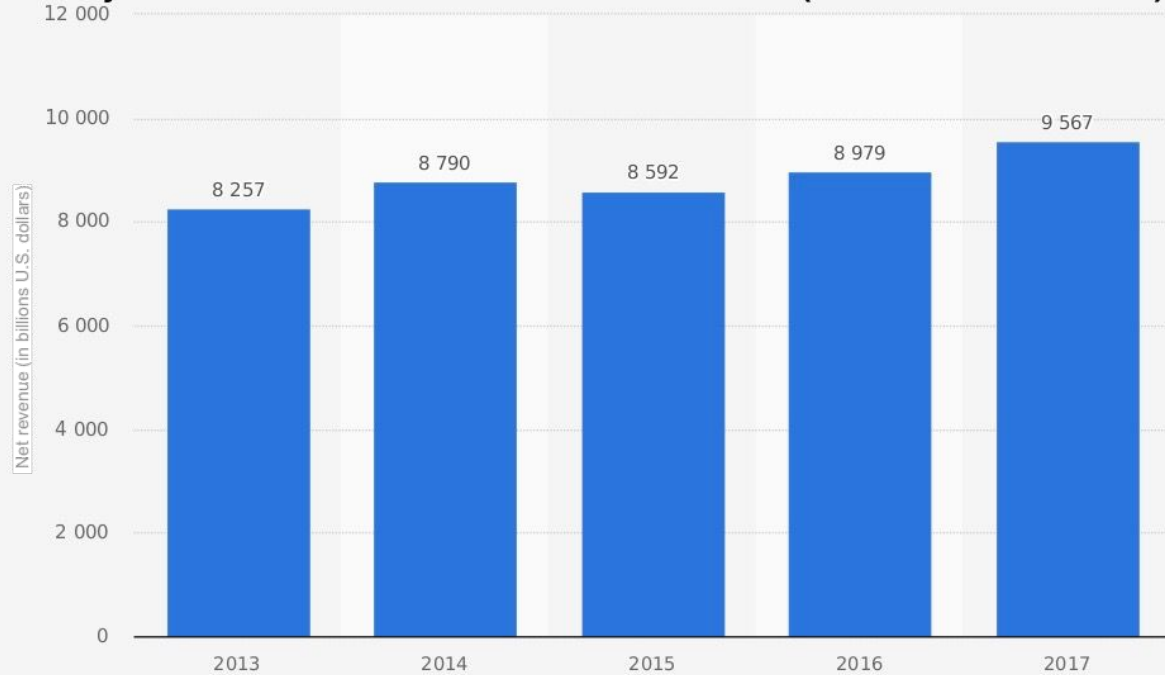


Amazon's Earnings 2016 through 2017

1. The time series shows the net revenue of Amazon.com's e-commerce and service sales from 2004 to 2017, in billion US dollars.
2. In the last reported year, the company's net revenue was almost 178 billion U.S. dollars, up from 135.99 billion US dollars in 2016.
3. 2016 to 2017 had the largest net sales revenue increase.

Ebay's Earnings 2016 through 2017

eBay's annual net revenue from 2013 to 2017 (in millions of dollars)



Source
eBay
© Statista 2018

Additional Information:
Worldwide; eBay; 2013 to 2017; excluding PayPal

Ebay's Earnings 2016 through 2017

1. The statistic shows the annual net revenue of eBay from 2013 to 2017.
2. In 2017, the online auction and selling website's net revenue amounted to close to 9.7 billion U.S. dollars, up from 8.99 billion U.S. dollars in the preceding year.

Amazon.com, Inc.

Balance Sheet (Year ended December 31)

	Horizontal Analysis				Vertical Analysis	
	2016	2017	Amount	Percent	2016	2017
Assets						
cash	\$19,334,000	\$20,522,000	\$1,188,000	6.14%	23.18%	15.63%
Short-Term Investments	\$6,647,000	\$10,464,000	\$3,817,000	57.42%	7.97%	7.97%
Account receivable	\$8,339,000	\$13,164,000	\$4,825,000	57.86%	10.00%	10.03%
Inventory	\$11,461,000	\$16,047,000	\$4,586,000	40.01%	13.74%	12.22%
Total current assets	\$45,781,000	\$60,197,000	\$14,416,000	31.49%	54.89%	45.84%
Long-Term Investments	\$0	\$0	\$0	0.00%	0.00%	0.00%
Fixed Assets	\$29,114,000	\$48,866,000	\$19,752,000	67.84%	34.91%	37.21%
Goodwill	\$3,784,000	\$13,350,000	\$9,566,000	252.80%	4.54%	10.17%
Property and equipment	\$29,114,000	\$48,866,000	\$19,752,000	67.84%	34.91%	37.21%
Other assets	\$4,723,000	\$8,897,000	\$4,174,000	88.38%	5.66%	6.78%
Total assets	\$83,402,000	\$131,310,000	\$47,908,000	57.44%	100.00%	100.00%
LIABILITIES AND STOCKHOLDERS' EQUITY						
Account payable	\$39,048,000	\$52,786,000	\$13,738,000	35.18%	46.82%	40.20%
Accruals	\$13,739,000	\$18,170,000	\$4,431,000	32.25%	16.47%	13.84%
Total current liabilities	\$4,768,000	\$5,097,000	\$329,000	6.90%	5.72%	3.88%
Long term debt	\$7,694,000	\$24,743,000	\$17,049,000	221.59%	9.23%	18.84%
Total Liabilities	\$13,308,000	\$17,918,000	\$4,610,000	34.64%	15.96%	13.65%
Common Stocks	\$2,000	\$2,000	\$0	0.00%	0.00%	0.00%
Total stockholder's equity	\$10,539,000	\$8,063,000	(\$2,476,000)	-23.49%	12.64%	6.14%
Total liabilities and stockholders' equity	\$23,847,000	\$25,981,000	\$2,134,000	8.95%	28.59%	19.79%

eBay Inc.

Balance Sheet (Year ended December 31)

	2016	2017	Horizontal Analysis		Vertical Analysis	
			Amount	Percent	2016	2017
Assets						
cash	\$1,816,000	\$2,120,000	\$304,000	16.74%	7.62%	8.16%
Short-Term Investments	\$5,333,000	\$3,743,000	(\$1,590,000)	-29.81%	22.36%	14.41%
Account receivable	\$592,000	\$695,000	\$103,000	17.40%	2.48%	2.68%
Inventory	\$0	\$0	\$0	0.00%	0.00%	0.00%
Total current assets	\$8,875,000	\$7,743,000	(\$1,132,000)	-12.75%	37.22%	29.80%
Long-Term Investments	\$3,969,000	\$6,331,000	\$2,362,000	59.51%	16.64%	24.37%
Fixed Assets	\$1,516,000	\$1,597,000	\$81,000	5.34%	6.36%	6.15%
Goodwill	\$4,501,000	\$4,773,000	\$272,000	6.04%	18.87%	18.37%
Property and equipment	\$1,516,000	\$1,597,000	\$81,000	5.34%	6.36%	6.15%
Other assets	\$276,000	\$273,000	(\$3,000)	-1.09%	1.16%	1.05%
Total assets	\$23,847,000	\$25,981,000	\$2,134,000	8.95%	100.00%	100.00%
LIABILITIES AND STOCKHOLDERS' EQUITY						
Account payable	\$2,286,000	\$2,641,000	\$355,000	15.53%	9.59%	10.17%
Accruals	\$1,893,000	\$2,134,000	\$241,000	12.73%	7.94%	8.21%
Total current liabilities	\$3,847,000	\$3,539,000	(\$308,000)	-8.01%	16.13%	13.62%
Long term debt	\$7,509,000	\$9,234,000	\$1,725,000	22.97%	31.49%	35.54%
Total Liabilities	\$13,308,000	\$17,918,000	\$4,610,000	34.64%	55.81%	68.97%
Common Stocks	\$2,000	\$2,000	\$0	0.00%	0.01%	0.01%
Total stockholder's equity	\$10,539,000	\$8,063,000	(\$2,476,000)	-23.49%	44.19%	31.03%
Total liabilities and stockholders' equity	\$23,847,000	\$25,981,000	\$2,134,000	8.95%	100.00%	100.00%

Amazon's Income statement Analysis

Amazon.com, Inc						
Income Statement (Year ended December 31)						
	2016	2017	Horizontal Analysis		Vertical Analysis	
			Amount	Percent	2016	2017
Total Revenue	\$135,987,000	\$177,866,000	\$41,879,000	30.80%	100.00%	100.00%
Cost of Revenue	\$88,265,000	\$111,934,000	\$23,669,000	26.82%	64.91%	62.93%
Gross Profit	\$47,722,000	\$65,932,000	\$18,210,000	38.16%	35.09%	37.07%
Sales, General and Admin.	\$43,536,000	\$61,826,000	\$18,290,000	42.01%	32.01%	34.76%
Other Operating Items	\$0	\$0	\$0	0.00%	0.00%	0.00%
Operating Income	\$4,186,000	\$4,106,000	(\$80,000)	-1.91%	3.08%	2.31%
EBIT	\$4,376,000	\$4,654,000	\$278,000	6.35%	3.22%	2.62%
Interest expense	\$484,000	\$848,000	\$364,000	75.21%	0.36%	0.48%
EBT	\$3,892,000	\$3,806,000	(\$86,000)	-2.21%	2.86%	2.14%
Income Tax	\$1,425,000	\$769,000	(\$656,000)	-46.04%	1.05%	0.43%
Net income	\$2,371,000	\$3,033,000	\$662,000	27.92%	1.74%	1.71%

Ebay's Income Statement Analysis

ebay, Inc						
Income Statement (Year ended December 31)						
		Horizontal Analysis			Vertical Analysis	
	2016	2017	Amount	Percent	2016	2017
Total Revenue	\$8,979,000	\$9,567,000	\$588,000	6.55%	100.00%	100.00%
Cost of Revenue	\$2,007,000	\$2,222,000	\$215,000	10.71%	22.35%	23.23%
Gross Profit	\$6,972,000	\$7,345,000	\$373,000	5.35%	77.65%	76.77%
Sales, General and Admin.	\$3,499,000	\$3,818,000	\$319,000	9.12%	38.97%	39.91%
Other Operating Items	\$34,000	\$38,000	\$4,000	11.76%	0.38%	0.40%
Operating Income	\$2,325,000	\$2,265,000	(\$60,000)	-2.58%	25.89%	23.68%
EBIT	\$3,651,000	\$2,276,000	(\$1,375,000)	-37.66%	40.66%	23.79%
Interest expense	\$0	\$0	\$0	0.00%	0.00%	0.00%
EBT	\$3,651,000	\$2,276,000	(\$1,375,000)	-37.66%	40.66%	23.79%
Income Tax	(\$3,634,000)	\$3,288,000	\$6,922,000	-190.48%	-40.47%	34.37%
Net income	\$7,266,000	(\$1,016,000)	(\$8,282,000)	-113.98%	80.92%	-10.62%

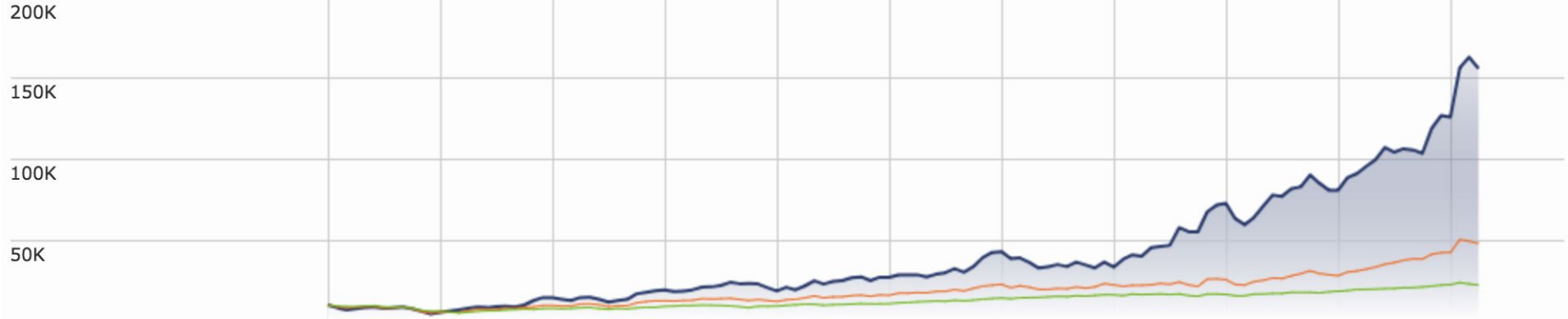
AMAZON.COM INC (AMZN) Statement of CASH FLOW		
USD in million expect per share data	2016-12	2017-12
Cash Flows From Operating Activities		
Depreciation & amortization	8116	11478
Investments losses (gains)	-20	-292
Deferred income taxes	-246	-29
Stock based compensation	2975	4215
Accounts receivable	-3367	-4786
Inventory	-1426	-3583
Accounts payable	5030	7175
Accrued liabilities	1724	283
Other working capital	1955	738
Other non-cash items	1702	3235
Net cash provided by operating activities	16443	18434
Cash Flows From Investing Activities		
Investments in property, plant, and equipment	-6737	-11955
Property, plant, and equipment reductions		1897
Acquisitions, net	-116	-13972
Purchases of investments	-7756	-13777
Sales/Maturities of investments	4733	9988
Net cash used for investing activities	-9876	-27819
Cash Flows From Financing Activities		
Long-term debt issued	621	16231
Long-term debt repayment	-4361	-6371
Excess tax benefit from stock based compensation	829	
Net cash provided by (used for) financing activities	-2911	9860
Effect of exchange rate changes	-212	713
Net change in cash	3444	1188
Cash at beginning of period	15890	19334
Cash at end of period	19334	20522
Operating cash flow	16443	18434
Capital expenditure	-6737	-11955
Free cash flow	9706	6479
Cash paid for income taxes	412	957
Cash paid for interest	496	647

EBAY INC (EBAY) Statement of CASH FLOW		
USD in millions except per share data.	2016-12	2017-12
Cash Flows From Operating Activities		
Depreciation & amortization	682	676
Investments losses (gains)	-1236	49
Deferred income taxes	-4556	1729
Stock based compensation	416	483
Accounts receivable	-48	-195
Accounts payable	-28	19
Accrued liabilities	-130	206
Income taxes payable	105	1209
Other working capital	121	-123
Other non-cash items	7500	-907
Net cash provided by operating activities	2826	3146
Cash Flows From Investing Activities		
Investments in property, plant, and equipment	-626	-666
Acquisitions, net	-212	-548
Purchases of investments	-11212	-14599
Sales/Maturities of investments	10063	14520
Other investing charges	-21	-3
Net cash used for investing activities	-2008	-1296
Cash Flows From Financing Activities		
Long-term debt issued	2216	2484
Long-term debt repayment	-20	-1452
Excess tax benefit from stock based compensation	15	
Common stock issued	102	120
Repurchases of treasury stock	-2943	-2746
Other financing activities	-114	-190
Net cash provided by (used for) financing activities	-744	-1784
Effect of exchange rate changes	-90	238
Net change in cash	-16	304
Cash at beginning of period	1832	1816
Cash at end of period	1816	2120
Operating cash flow	2826	3146
Capital expenditure	-626	-666
Free cash flow	2200	2480
Cash paid for income taxes	492	308
Cash paid for interest	220	285

Amazon's Performance Ratio

Growth of 10,000 AMZN

■ AMZN ■ Specialty Retail ■ S&P 500 TR USD



History (03/31/2018)	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	YTD
AMZN	-44.65	162.32	33.81	-3.83	44.93	58.96	-22.18	117.78	10.95	55.96	23.76
Specialty Retail	-43.42	74.27	28.79	-3.68	30.87	42.65	-1.63	14.51	9.23	51.11	13.16
S&P 500 TR USD	-37.00	26.46	15.06	2.11	16.00	32.39	13.69	1.38	11.96	21.83	-0.76
+/- Specialty Retail	-1.22	88.05	5.02	-0.16	14.06	16.31	-20.55	103.27	1.72	4.85	10.61
+/- S&P 500 TR USD	-7.65	135.86	18.75	-5.95	28.92	26.57	-35.87	116.40	-1.01	34.12	24.52
Dividend Yield %											
Market Cap USD Mil	21,991	59,727	81,180	78,718	113,895	183,045	144,313	318,344	356,313	563,535	700,668

Ebay's Performance Ratio

Growth of 10,000 EBAY

● EBAY ● Specialty Retail ● S&P 500 TR USD



History (03/31/2018)	2013	2014	2015	2016	2017	YTD
EBAY	7.58	2.29	16.18	8.04	27.11	6.62
Specialty Retail	42.65	-1.63	14.51	9.23	51.11	13.16
S&P 500 TR USD	32.39	13.69	1.38	11.96	21.83	-0.76
+/- Specialty Retail	-35.07	3.91	1.67	-1.19	-23.99	-6.53
+/- S&P 500 TR USD	-24.80	-11.40	14.80	-3.92	5.28	7.38
Dividend Yield %						
Market Cap USD Mil	70,995	68,691	32,536	33,191	39,422	40,726

Growth Profitability and Financial Ratios

above Industry average				
below Industry average				
Liquidity/Financial Health	2017 (Amazon)	2017 (ebay)	2017 (Alibaba)	Industry average
Current Ratio	1.04	2.19	1.95	1.73
Quick Ratio	0.76	2.04	1.84	1.55
Debt/Equity	1.37	1.15	0.28	0.93
Asset Management				
Inventory Turnover	9.97			
Days Sales Outstanding (DSO)	22.06	24.55	6.45	17.69
Receivables Turnover	16.54	14.87	56.56	29.32
Total Asset Turnover	1.66	0.38	0.36	0.80
Fixed Assets Turnover	4.56	6.15	9.36	6.69
Payables Period	79.72	50.35	21.8	50.62
Profitability				
Operating margin	2.31	23.68	30.36	18.78
Net profit Margin %	1.71	-10.62	27.59	6.23
Return on Total Assets %	2.83	-4.08	10.03	2.93
Return on Equity %	12.91	-10.92	17.62	6.54
Return on Invested Capital %	7.09	-5.04	12.13	4.73

Conclusion

- 1. Comparing these two companies, Amazon is doing better than ebay, If you planning a investment, Amazon is a better choice than Ebay.**