

Claire Polak - Financial Ratios Project

Amazon (https://www.sec.gov/ix?doc=/Archives/edgar/data/0001018724/000101872421000004/amzn-20201231.htm#i75de98b9097f40f3b5884e541f532421_163)

Amazon.com, inc.			
Balance Sheet (in millions, except per share data)			
As of December 31, 2020			
Assets		Liabilities and Stockholders' Equity	
Current Assets:		Current Liabilities:	
cash and cash equivalents	\$42,122	accounts payable	\$72,539
marketable securities	\$42,274	accrued expenses and other	\$44,138
inventories	\$23,795	unearned revenue	\$9,708
accounts receivables, net and other	\$24,542	Total Current Liabilities	\$126,385
Total Current Assets	\$132,733	long-term lease liabilities	\$52,573
property and equipment, net	\$113,114	long-term debt	\$31,816
operating leases	\$37,553	other long-term liabilities	\$17,017
goodwill	\$15,017	commitments and contingencies	
other assets	\$22,778	Stockholder's Equity	
Total Assets	\$321,195	preferred stock, \$0.01 par value:	
		authorized shares - 500	
		issued and outstanding shares - none	
		common stock, \$0.01 par value:	
		authorized shares - 5,000	
		issued shares - 527	
		outstanding shares - 503	\$5
		treasury stock, at cost	-\$1,837
		additional paid-in capital	\$42,865
		accumulated other comprehensive income (loss)	-\$180
		Retained Earnings	\$52,551
		Total Stockholders' Equity	\$93,404
		Total Liabilities and Stockholders' Equity	\$321,195

https://s2.q4cdn.com/299287126/files/doc_financials/2021/ar/Amazon-2020-Annual-Report.pdf

Amazon.com, inc.	
Income Statement	
Year ended December 31, 2020	
Net Product Sales	215,915.00
Net Service Sales	170,149.00
Total Net Sales	386,064.00
Operating Expenses:	
Cost of Sales	233,307.00
Fulfillment	58,517.00
Technology and Content	42,740.00

Marketing	22,008.00					
General and Administrative	6,668.00					
Other operating expense (income), net	-75.00					
total operating expenses	363,165.00					
Operating Income	22,899.00					
Interest Income	555.00					
Interest Expense	-1,647.00					
Other income (expense), net	2,371.00					
Total non-operating income (expense)	1,279.00					
Income before Income Taxes	24,178.00					
Provision for income taxes	-2,863.00					
Equity-method investment activity, net of tax	16.00					
Net Income	21,331.00					
https://finance.yahoo.com/quote/AMZN?p=AMZN&.tsrc=fin-srch						
Market Values Table						
Market Price of the Company's Stock	3,238.35					
Number of Shares Outstanding	506.44					
Enterprise Value	1.65					
Financial Ratios Table						
Short-Term solvency, or liquidity ratios						
current ratio	1.05	they will not have an issue paying debts because it is > 1				
quick ratio	0.86	the company has a decent amount of inventory since the number decreased a good bit from the current ratio				
cash ratio	0.33	the company does not have a lot of cash compared to debt since the ratio is small				
Long-Term solvency, or financial leverage, ratios						
total debt ratio	0.71	amazon has more assets than debt which looks good to investors				
debt-equity ratio	2.44	since the number is fairly low, there is relatively little risk since their debt does not heavily outweigh their equity				
equity multiplier	3.44	the company has \$3.44 in assets for every \$1.00 in equity				
times interest earned ratio	43.56	the company presents very little risk to investors in terms of solvency				
cash coverage ratio	-30.01	do they have sufficient funds to cover interest and make a profit	*dep not included in income statement on financial website:			
Asset utilization, or turnover, ratios			25,251			
inventory turnover	9.80	the firm is turning over, or selling, its inventory efficiently				
days' sales in inventory	37.23	items spend, on average, this many days in inventory before they are sold				
receivables turnover	15.73	provides information to find days sales in receivables				
payables turnover	3.22	amazon pays creditors and suppliers rather quickly				
days' sales in receivables	23.20	takes the firm this many days, on average, to collect on credit sales				
days' costs in payables	113.48	company takes a decent amount of time to pay its bills				
total asset turnover	1.20	for every \$1.00 in assets, amazon is able to generate \$1.20 in sales				
capital intensity	0.83	the company requires \$0.83 in assets to generate \$1.00 in sales				

Profitability Ratios							
profit margin	0.06	they get that much profit for every dollar of sales, and they make a lot of sales					
return on assets (ROA)	0.07	they make this much profit per dollar in assets					
return on equity (ROE)	0.23	they make this much profit per dollar in equity					
Market value ratios							
price-earnings ratio	0.15	the value of the stock compared to the earnings is rather low					
price-sales ratio	0.01	shows the market value for every dollar of the company's sales, and there is not a big difference					
market-to-book ratio	0.000033	the market value and book values were very similar					
EBITDA ratio	0.000068	this tells us about amazon's ability to make a profit while keeping costs low					