Special Report - Amazon.com Inc. (AMZN) | FinTrust Brokerage Services

The 12 Trillion Dollar Question

A New Dutch East India Company or Bernanke's Mississippi Bubble Stock?

Equity Research

July 24, 2017

Industry: Wholesale Distribution
GICS Sector/ Sub code: Electrical Apparatus and Equipment / 5063)

Company Summary: Founded in 1994, Amazon.com opened its virtual doors on the World Wide Web in July 1995. Fortunately for earthlings, Amazon seeks to be "Earth's most customer-centric company (Source AMZN 10-k)," however, this leaves the rest of the universe open to competition and non-earthlings subject to non-customer-centric predators. Amazon.com clearly faces competition in the "Middle Kingdom" of China from Alibaba, and we sincerely look forward to the space race between Jeff Bezos's Blue Origin, Richard Branson's Virgin Galactic, Elon Musk's SpaceX, and Paul Allen's Vulcan Aerospace. We believe it will capture the public's attention in the 21st century in a manner similar to the early automobile and airplane industry races of the early 20th century. In addition to its investments in drone technology, Amazon.com operates across five segments: consumers, sellers, developers, enterprises, and content creators and provides advertising services and co-branded credit cards. Conventionally, or terrestrially, the company can be said to operate across retail, logistics, consumer technology, cloud computing, media and entertainment, and increasingly, artificial intelligence.

Analyst Notes:

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- We are issuing this special report due to the following factors: 1) AMZN's stock price, market capitalization and operating performance are increasingly important to the entire US stock market and US economy 2) The Federal Reserve's June 15, 2017 announcement that it "may" begin "normalizing" its balance sheet, "if" conditions warrant. By not reinvesting the principal and interest of maturing treasury and agency securities, the Fed would thereby be effectively ending its "emergency" quantitative easing measures which have been in place more or less continuously since March 2009. 3) We believe the preceding two factors are significant, given Amazon's increasing number of parallels to two of history's most famous monopolies. One monopoly operated continuously with high returns on equity for nearly 200 years and survived at least two stock market bubbles, until its nationalization. The other was largely a creature of monetary excess that failed to capitalize on the opportunity to economically develop the area that stretches from New Orleans across the Midwest of the United States to Canada 4) The fact that history frequently rhymes but does not repeat and 5) to remind ourselves, that the stock prices of even great companies can and do fluctuate as monetary and political conditions change, though the record lows in equity volatility due to the Fed put suggest otherwise.

- Fintrust Brokerage Services is commencing coverage of Amazon.com with a SELL rating, and $640 nominal price target price in current USD, representing 37.6% nominal downside, or 0.04 BTC or 0.11 gold ounces in our real purchasing power price estimates. Admittedly, given its high rate of growth, high reinvestment rate, monopolistic like position within the ever expanding internet commerce sector, increased competition in web hosted services, its presence as a key player in US cyber defense and intelligence activities, the risk that it just jumped the shark with its just announced Whole Food acquisition in a manner reminiscent of the January 10, 2000 AOL/Time Warner merger, and the risk inherent in the largest monetary debasement in a "Western" country, excluding the German hyperinflation, since John Law in 1720, our estimates of fair value are naturally wide.

Fintrust Recommendation

Fintrust Rating:	**SELL**
Target Price:	**$640.0**
Current Share Price	**$1025.67**
Expected Return	**-37.6%**
52 Week Price Range	**$710.10 - $1034.97**

Fintrust Brokerage Services, LLC rates companies a BUY, HOLD, SELL, or SHORT.

- A BUY rating is given when the security is expected to outperform the broad equity market as measured by the S&P 500 on a risk adjusted basis over the next year.
- A HOLD rating is given when the security is expected to perform in line with the broad equity market as measured by the S&P 500 on a risk adjusted basis over the next year.
- A SELL rating is given when the security is expected to perform below the broad equity market as measured by the S&P 500 on a risk adjusted basis over the next year.
- A SELL SHORT is given when the security is expected to decline in value over the next year.

The distribution of ratings across Fintrust's entire company universe is 68.8% Buy, 18.8% Hold, 12.5%Sell, and 0% Short

Key Figures

Key figures pricing data reflects previous trading day's closing price. Other applicable data are trailing 12-months unless otherwise specified.

ROE	**14.2%**
ROA	**3.6%**
ROIC	**7.4%**
Debt / Capitalization	**nmf**
Payout Ratio	**0%**
Revenue (mms)	**$142,570**
Net Income (mms)	**$2,580**
Outstanding (mi)	**477.98**
Shares Short (mil)	**5.26**
Market Capitalization ($ mil)	**$489,830**
Beta	**1.42x**

Valuation

Adj. EPS (16A)	**$4.90**
Adj. EPS (17E)	**$9.26**
Adj. EPS (18E)	**$11.35**
P/E (16)	**193.1x**
P/E (17)	**84.2x**
P/E (18)	**59.3x**
Est. 2016-2017 EPS Growth	**89.0%**

Please see pages 12 and 13 of this publication for important certification and disclosure information.

Analyst's Notes.... Continued

- Our valuation calculations under various scenarios range from a low of $400 to a high $1440 per share in current USD. The wide range of estimates is the natural outgrowth the company's high growth rates and historically low interest rates. Discounted cash flow models for high growth companies in a negative to near zero interest rate environment return nearly infinite prices for the value of an equity that invests cash today and promises cash tomorrow because cash today has nearly no value, while cash later, if it materializes, has potentially large value.

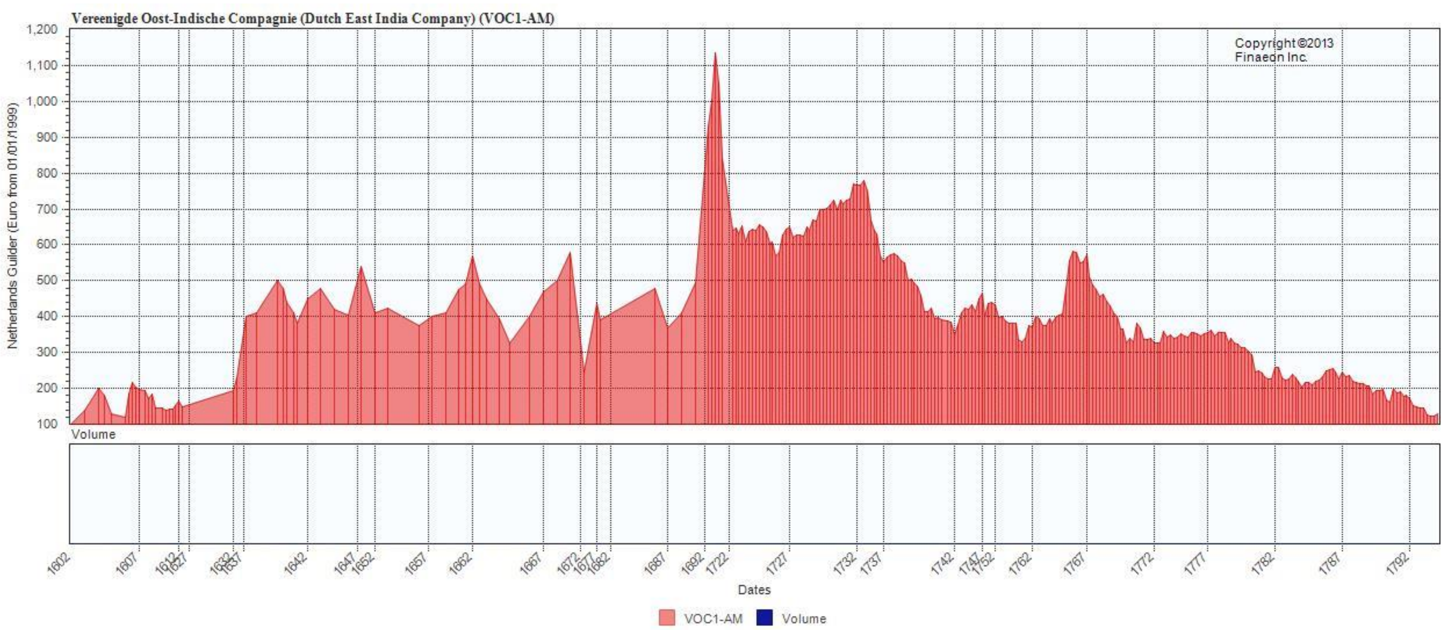
- Using Valueline, we calculate that Amazon has realized a 10-year historical earnings growth rate of 22%, or 24% since the company first reported positive earnings. In addition to our own analysis, we used Valueline's 2017 earnings estimate of $8.25 and projected earnings forward for 20 years at the company's historical growth rate and then discount those earnings back at 6% and added this sum ($983.68) to Valueline's estimated 2017 book value estimate ($54.85) to derive a fair value estimate of $1038.53, in line with the current stock price. At the current $1025.67 per share price, we estimate that the market is discounting Amazon's like a 20-year monopoly.

- While we understand the market's pricing for AMZN, we note that one of history's other great trading, logistics and information monopolies, the Dutch East India company, realized returns of 18% for 200 years, after being granted a 21-year monopoly, but its earnings and dividends were irregular in amount and form. In addition, we note that the company's stock price reached a record low dividend yield of 3.5% and record stock price high of just over $1100 per share, during the period that coincided with the peak insanity of John Law's monetary system in 1720. Using Valueline's 2017, $22.20 per share cashflow estimate for each Amazon.com share and dividing by 3.5% we derive a $634 price. Importantly for price targets, Amazon.com retains its earnings, whereas the Dutch East India Company distributed its earnings (source: globalfinancialdata.com), and the Fed continues to be trapped by its Ivory Tower Thinking.

An Introduction to the Players

Dutch East India Company ("VOC"), the Mississippi Company of the West ("CDO"), John Law (aka "Johnny Running from the Law"), Amazon.com ("AMZN"), and Ben Bernanke (aka "Helicopter Ben" or "HFT Ben")

Dutch East India Company ("VOC")



Source: https://www.globalfinancialdata.com/gfdblog/?p=1518

Analyst's Notes.... Continued

Dutch East India Company ("VOC")…continued

The Vereenigde Oost-Indische Compagnie ("VOC") or "United East-India Company" or "Dutch East India Company" was established in 1602 and granted a 21-year monopoly of the Dutch Spice trade. It was the first company to issue publicly traded common shares and it developed into a globally powerful trading, shipping, and information network that spanned the known "Earth." It possessed quasi-government power, including the ability to wage war, imprison and execute convicts, negotiate treaties, strike its own coins, and establish colonies, and was not recognized as a good employer due to "low salaries" and harsh conditions as can be imagined given the proceeding list of powers. Importantly, the company led the European settlement of "New Amsterdam," which is known today as New York.

The company earned high returns on equity by trading in high volume, low profit market margin goods on global scale and it gradually increased its operating leverage. The company was a key player in the Dutch tulip bulb market, and its delivery of unique tulip bulbs in 1634 helped to kick start one history's great "bubbles," the Tulip Mania of 1636/1637. The company earned an estimated 18% return on capital during its nearly 200 years of existence, and frequently sold at a premium to its net asset value. The company had a history of paying regular, if uneven even in form, dividends. The company was eventually nationalized and its global assets redistributed as global political power structures shifted.

Source: www.globalfinancialdata.com

The Mississippi Company of the West ("CDO")

Like its Dutch counterpart, the French Mississippi Company of the West or the Compagnie d'Occident ("CDO") was granted expansive 25-year monopoly trading rights by its sovereign. The company, named after a large river in the emerging market, known today as the United States of America, had the right to control trade in the French West Indies and Mississippi territories. The company then expanded via acquisitions by acquiring the Compagnie des Indes Orientales, the Compagnie de Chine, and other French trading companies and combining these into the Compagnie Perpetuelle des Indes.

John Law ("Johnny Running from the Law")

John Law was the son of goldsmith and banker. He found himself in France after he was forced to flee the law in Scotland following the killing of his rival "Beau Wilson" in a duel. In 1705, a full fifteen years before his infamous "Mississippi" bubble, John Law had written an academic paper arguing against the use metal backed currency in favor of "paper" money. John Law saw money only as a medium of exchange and not a store of value, and he believed that the issuance of paper money would stimulate monetary velocity and thereby expand the French economy and trade.

In 1716, due to the deplorable fiscal condition of the country, Law was granted an opportunity to put his theory into practice. Law acquired 20-year monopoly rights to establish a bank of deposit, discount, and circulation, "Law and Company" later known as "Banque Generale." In return for deposits of gold and silver the bank would issue "paper" bank notes which bore interest in return. As Washington Irving's details in his recount "The Great Mississippi Bubble", the company was capitalized at 6 million livres in May 1716. As best we can determine, a livre was initially equal to a pound of silver, which today at today's price of $16 an ounce would equate to an initial market capitalization of $1.5 Billion, a 1716 unicorn if you will. The 12,000 initial shares could be purchased with a payment consisting of 25% coin and 75% in devalued public securities, thus the company acquired the French national debt in return for annuity payments while giving the illusion of being properly capitalized with gold and silver. The bank also generously financed the purchases of the company's shares on credit.

Just as Janet Yellen and the Federal Reserve have reportedly leaked insider information (WSJ, Oct.1, 2015) about successive quantitative easing programs, Irving recounts that John Law had a way of making "these confidential whispers" that "the coin would experience successive diminution" so "everybody hastened to the bank to exchange gold and silver for paper." As a result, Irving further reports that "the shares rose enormously in value as the amount of its notes in circulation exceeded one hundred and ten millions of livres." ($28.1 billion in today's dollars by our calculations). Due to the success of this financing operations, Louis the XIV's 10% income tax on the nobility was cut, which won the scheme nothing but praises from the nobility.

Analyst's Notes.... Continued

The "System" - John Law named Chief Director (aka "CDO Manager") of CDO

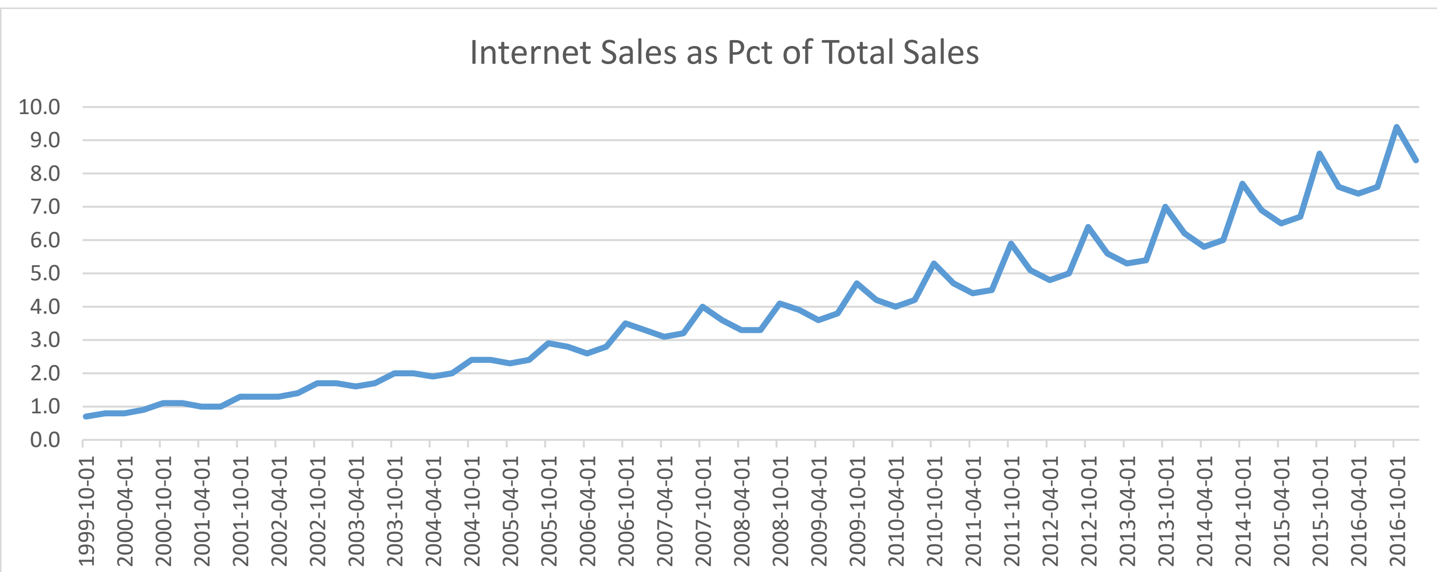
Due to the success of his bank, John Law was named Chief Director of CDO. Thus, Irving reports that CDO quickly came to be identified with the bank, linking the two companies and the sovereign into a "System." Since CDO controlled the French Colonies in North America and the West Indies, Johnny Law and his company began colonization efforts in the New World. In addition, as the System gained momentum, the company was granted an increasing number of monopoly trading rights. As recorded by Washington Irving in "The Great Mississippi Bubble" the company was granted monopolies for "trade of the Indian Seas, the slave-trade with Senegal and Guinea, the farming of tobacco, the national coinage, etc. Each new privilege was made a pretext for issuing more bills, and caused an immense advance in the price of the stock." Washington continues to report that eventually "all honest, industrious pursuits and modest gains were now despised. Wealth was to be obtained instantly, without labor and without stint…as the shares of the company went on rising in value, until they reached 1,300 percent."

In 1719, Law's companies acquired the right to mint coinage and the right to collect all French taxes.

Even by modern standards, the interaction of the Mississippi "System" was bold, as it was the equivalent of the IRS, the Federal Reserve, and a trading monopoly company rolled into a tight interactive system.

Amazon.com ("AMZN")

Like its famous predecessors VOC and CDO, Amazon.com has built a near monopoly position in trade across the new territory and emerging geography of the internet. As both online sales as a percentage of total sales and the company's market share have increased, the company has come to nearly monopolize online retail and is controlling an increasing amount of general sales. Specifically, according data from FRED, online sales now account for just over 9% of sales, and marketplacepulse.com reports that Amazon.com controls over 42% of those sales.



Source: FRED

Analyst's Notes.... Continued

The company is increasingly investing in logistics, consumer technology, cloud computing, media and entertainment. The company is expanding its artificial intelligence capabilities, and like its Dutch Predecessor which shared global intelligence information with its sovereign and conducted war, its Amazon Web Services division is a beneficiary of US Defense Intelligence and cyberwarfare efforts. Interestingly, like its Tulip Mania era predecessor, the company was a key player in a great speculative bubble, the "Internet Bubble of 1999." Unfortunately, like its French predecessor it is named after a river in an emerging market.

The similarities between VOC, CDO, Amazon.com, and Fed QE are numerous. Specifically:

1) The company is named after a large river in an emerging market.
2) People are growing concerned about its monopoly like power after 22 years.
3) The company has developed sophisticated global information and logistics capabilities by trading in a wide range of goods.
4) Amazon.com has recently been criticized for its employment practices in a series of articles like these below:

   Salon.com, Feb. 23, 2014: *Worse than Wal-Mart: Amazon's sick brutality and secret history of ruthlessly intimidating workers*.
   New York Times, Aug 16, 2015 – Inside Amazon: Wrestling Big Ideas in a Bruising Workplace
   Vanity Fair, March 8, 2016 – Amazon Reportly Has Scoreboards to Shame Its Workers

5) The company has also developed its own coins – "Amazon Coins."

6) Jeff Bezos is seeking to colonize Mars.

   "Jeff Bezos's Could Send the First People to Mars" – Wired Magazine

   https://www.wired.com/2016/09/blue-orgins-new-glenn-rocket/

Analyst's Notes.... Continued

7) Amazon Web Services and the US Department of Defense well documented relationship. While this is currently a strength of the company, in our estimation, it is also a huge potential risk for investors, as we can imagine cyberwar scenarios in which it could be deemed necessary to nationalize the company, just as VOC was nationalized in the years following the fourth Anglo-Dutch War.

   http://www.tiki-toki.com/timeline/entry/307538/The-Dutch-East-India-Company/#vars!date=1794-10-02_19:03:44!

8) Since the March 9, 2009 Federal Reserve Quantitative Easing Program, AMZN's stock price has risen 1595%.

Ben Bernanke ("Helicopter Ben" or "HFT Ben")

Like Johnny Running from the Law before him, Ben Bernanke was involved in publishing academic economic papers on the nature of money before becoming head of a national central bank. He is best known for "helicopter money" and "quantitative easing." Through his quantitative easing programs, Ben Bernanke led the Federal Reserve into the acquisition of a significant proportion of all the new issuance of US government debt like Law's bank. During Mr. Bernanke's tenure as central bank chairman the Federal Reserve's balance sheet expanded by over $3.5 Trillion. Like in John Law's "System", the monetary inflation and monetization of the national debt has led to increasing equity share prices, and few companies shares have advanced farther or faster than Amazon.com due to its J-Curve profile.

Like his philosophical mentor, we believe Mr. Bernanke recognizes the need to make a quick escape from the collapse of his monetary "System." Thus he now makes his living working for the high frequency trading hedge fund Citadel. One can understand the natural affinity between a HFT firm and Mr. Bernanke, as there has never been a modern central bank "gamer" able to hit the "print" button faster. The question now is he fast enough to catch all the potential cryptocoins? The free market universe finds a way to point out flawed thinking.

Conclusion, Recommendation & Risk

As recorded by Washington Irving, Johnny Law's "System" eventually collapsed as "capitalist gradually awoke from their bewilderment" in the system which was designed to "depreciate the value of gold and increase the illusive credit of paper" (short gold, long high yield anyone?) and they began to seek "something real." As a result of this awakening, capital began to be "carried out of the country" (anybody notice the start of the rebound in international equities in 2017?) and the "very compulsory measures that were adopted to establish the credit of the bank hastened its fall, plainly showing there was a want of solid security" (do you have foreign currency, metals or cryptos?)." Eventually, Law was forced to reduce the value of the bank's notes by one-half and the shares of CDO fell from 9000 to 5000 livres. While the bank notes were restored to their full value, Irving reports that "government itself had lost all public confidence equally with the bank." (any chance of a collapse in political confidence?)

In turn, this failing of confidence in government, led to a massive hyperinflation as paper money was refused. Irving reports that jewels, precious stones, plate, porcelain, trinkets of gold and silver, all commanded any price, in paper while land was bought at fifty years' purchase….Monopolies now became the rage among the noble holders of paper" (got your FANG stocks?) Law was forced to flee France and Irving quotes Voltaire as saying, "He was a quack to whom the state was given to be cured, but who poisoned it with his drugs, and who poisoned himself."

Recommendation: Our $645 price target reflects Amazon.com potential growth rate, strong balance sheet and ability to internally finance acquisition, historic generation of steady gross margin and other financial metrics, but given its modestly unattractive valuation, we believe that AMZN is appropriate at lower valuations for a long term holding for risk-tolerant investors. Acqusitions, if chosen correctly and integrated successfully, add scale and scope in an industry that rewards both attributes, and could potentially drive share value higher than our estimate, whereas competition could compress margins. Given our review of the company's historic operating and financial results, we rate management as highly capable, and focused.

Risk to our recommendation:
Risk inlcude, but are not limited to, greater competition for AWS from other technology companies, anti-trust, political and business uncertaintly, F/X fluctuations, the failure to successfully integrate acqusitions, and increased operating cost for a larger proportion of sales. Finally, we believe the stock market as a whole and the value of nominal price generally could be volatile as the system of quantitative easing collapses.

Analyst's Notes.... Continued

Financial Review: AMZN

DCF Valuation AMZN
In Millions USD

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Revenue	88,988.0	107,006.0	135,987.0	165,904.1	202,403.1	246,931.7	301,256.7	367,533.2	448,390.5	538,068.6	634,920.9	736,508.3	839,619.4
Growth		*20.2%*	*27.1%*	*22.0%*	*22.0%*	*22.0%*	*22.0%*	*22.0%*	*22.0%*	*20.0%*	*18.0%*	*16.0%*	*14.0%*
EBITDA	5,094.0	8,514.0	12,302.0	16,590.4	20,240.3	24,693.2	30,125.7	38,591.0	47,081.0	56,497.2	66,666.7	77,333.4	88,160.0
% of Sales	*5.7%*	*8.0%*	*9.0%*	*10.0%*	*10.0%*	*10.0%*	*10.0%*	*10.5%*	*10.5%*	*10.5%*	*10.5%*	*10.5%*	*10.5%*
Depreciation	4,746.0	6,281.0	8,116.0	9,954.2	12,144.2	14,815.9	18,075.4	22,052.0	26,903.4	32,284.1	38,095.3	44,190.5	50,377.2
% of Sales	*5.3%*	*5.9%*	*6.0%*	*6.0%*	*6.0%*	*6.0%*	*6.0%*	*6.0%*	*6.0%*	*6.0%*	*6.0%*	*6.0%*	*6.0%*
EBIT	348.0	2,233.0	4,186.0	6,636.2	8,096.1	9,877.3	12,050.3	16,539.0	20,177.6	24,213.1	28,571.4	33,142.9	37,782.9
% of Sales	*0.4%*	*2.1%*	*3.1%*	*4.0%*	*4.0%*	*4.0%*	*4.0%*	*4.5%*	*4.5%*	*4.5%*	*4.5%*	*4.5%*	*4.5%*
Interest/Other	(289.0)	(660.0)	(286.0)	(325.0)	(362.1)	(390.0)	(417.8)	(445.7)	(473.5)	(501.4)	(529.2)	(557.1)	(585.0)
Interest %	*-21.8%*	*-29.1%*	*-5.1%*	*-5.8%*	*-6.5%*	*-7.0%*	*-7.5%*	*-8.0%*	*-8.5%*	*-9.0%*	*-9.5%*	*-10.0%*	*-10.5%*
Tax	167.0	950.0	1,425.0	1,893.3	2,320.2	2,846.2	3,489.7	4,828.0	5,911.2	7,113.5	8,412.7	9,775.7	11,159.4
Tax %	*283.1%*	*60.4%*	*36.5%*	*30.0%*	*30.0%*	*30.0%*	*30.0%*	*30.0%*	*30.0%*	*30.0%*	*30.0%*	*30.0%*	*30.0%*
Net Income	**(108.0)**	**623.0**	**2,475.0**	**4,417.8**	**5,413.8**	**6,641.1**	**8,142.7**	**11,265.3**	**13,792.8**	**16,598.2**	**19,629.5**	**22,810.0**	**26,038.5**
NI Margin	*-0.1%*	*0.6%*	*1.8%*	*2.7%*	*2.7%*	*2.7%*	*2.7%*	*3.1%*	*3.1%*	*3.1%*	*3.1%*	*3.1%*	*3.1%*
EPS	**(0.52)**	**1.25**	**4.90**	**9.26**	**11.35**	**13.92**	**17.07**	**23.62**	**28.92**	**34.80**	**41.15**	**47.82**	**54.59**
Capex	(4,893.0)	(4,589.0)	(6,737.0)	(7,418.0)	(9,721.6)	(11,431.1)	(14,202.6)	(17,106.9)	(21,075.9)	(25,152.8)	(29,752.3)	(34,460.3)	(39,335.8)
% Sales	*-5.5%*	*-4.3%*	*-5.0%*	*-4.5%*	*-4.8%*	*-4.6%*	*-4.7%*	*-4.7%*	*-4.7%*	*-4.7%*	*-4.7%*	*-4.7%*	*-4.7%*
Other CF lines	188.0	405.0	140.0	244.3	244.3	244.3	244.3	244.3	244.3	244.3	244.3	244.3	244.3
Current Assets	31,327.0	35,705.0	45,781.0										
Cash	17,416.0	19,808.0	25,981.0										
Current Assets (excl Cash % Sales)	*15.6%*	*14.9%*	*14.6%*										
Current Liabilities	28,089.0	33,887.0	43,816.0										
Current Liabilities (excl ST Debt % Sa	*31.6%*	*31.7%*	*32.2%*										
Net Working Capital	(14,178.0)	(17,990.0)	(24,016.0)	(29,299.5)	(35,745.4)	(43,609.4)	(53,203.5)	(64,908.2)	(79,188.1)	(95,025.7)	(112,130.3)	(130,071.1)	(148,281.1)
WC % Sales	*-15.9%*	*-16.8%*	*-17.7%*	*-17.7%*	*-17.7%*	*-17.7%*	*-17.7%*	*-17.7%*	*-17.7%*	*-17.7%*	*-17.7%*	*-17.7%*	*-17.7%*
WC CF		(3,812)	(6,026)	(5,284)	(6,446)	(7,864)	(9,594)	(11,705)	(14,280)	(15,838)	(17,105)	(17,941)	(18,210)
ULFCF		403	678	5,457	6,031	7,854	9,401	14,162	17,163	22,119	27,693	34,151	41,189
DCF				4,934	4,930	5,806	6,283	8,557	9,377	10,926	12,369	13,791	15,039

Source: FinTrust estimates

We performed a DCF evaluation of AMZN based on our 10 year forward earnings forecast, which is summarized in the preceding charts and graphs. Our key assumptions are that (1) AMZN's Cost of capital is 10.6% and that (2) the Company's discounted Terminal Value is driven by an assumption of 22.0% ongoing revenue growth. Our model indicated that the shares' target price is $640, or 37.6% downside. As the following Share Price Matrix illustrates, **the target price is sensitive to very modest changes in WACC or perpetual unlevered free cash flow growth rate assumptions.**

Source: FinTrust estimates

DCF Valuation Matrix: AMZN

		WACC				
		9.6%	10.1%	10.6%	11.1%	11.6%
Perpetual Growth Rate	3.0%	$ 695	$ 634	$ 582	$ 536	$ 496
	3.5%	$ 735	$ 667	$ 609	$ 559	$ 516
	4.0%	$ 782	$ 705	**$ 640**	$ 585	$ 538
	4.5%	$ 838	$ 750	$ 677	$ 615	$ 562
	5.0%	$ 907	$ 804	$ 720	$ 650	$ 591

Analyst's Notes.... Continued

In addition, we compared AMZN to the other FANG stocks, (Facebook, Apple, Netflix, Alphabet(Google)). The group is expected to generate 8.8% 2017 EPS growth, while we envision 89% EPS growth for AMZN from this year to next. Furthermore, we estimate a 5 year CAGR of 32.9% Non-GAAP AMZN EPS growth from 2017 to 2021.

Comparative Analysis - FANG Stocks

Company	Ticker	Market Cap ($B)	EBITDA Margin	Net Profit Margin	TTM Sales Growth	Net Income Growth	ROA	ROE	ROIC	EV/TTM EBITDA	EV/EBITDA FY1	EV/EBITDA FY2	P/E	P/E FY1	P/E FY2	P/FCF
FACEBOOK INC-A	FB	476.9	53.6	36.5	53.2	125.6	18.3	20.2	20.0	27.4	18.9	14.9	43.5	28.8	23.7	39.0
APPLE INC	AAPL	783.8	31.6	20.7	-2.9	-9.4	14.3	34.6	19.9	9.0	8.8	7.7	17.6	16.9	14.2	15.0
NETFLIX INC	NFLX	79.3	6.9	3.6	33.6	156.8	2.6	13.1	8.7	115.9	79.4	47.1	223.9	122.6	80.0	N/A
ALPHABET INC-CL A	GOOGL	677.4	32.9	21.9	21.5	18.8	12.9	15.4	14.3	18.9	13.6	11.5	33.5	23.5	20.7	24.7
	Mean	*504.4*	*31.3*	*20.7*	*26.4*	*73.0*	*12.0*	*20.8*	*15.7*	*42.8*	*30.2*	*20.3*	*79.6*	*48.0*	*34.6*	*26.3*
	Median	*577.2*	*32.3*	*21.3*	*27.6*	*72.2*	*13.6*	*17.8*	*17.1*	*23.1*	*16.2*	*13.2*	*38.5*	*26.2*	*22.2*	*24.7*
AMAZON.COM INC	**AMZN**	**491.7**	**9.0**	**1.8**	**25.7**	**121.3**	**3.6**	**14.2**	**7.4**	**38.3**	**25.5**	**19.5**	**193.1**	**84.2**	**59.3**	**50.9**

Source: FinTrust estimates, Bloomberg

- In broad terms, AMZN's margins, ROA, ROE and ROIC are all belows its competitors FANG peers.
- In terms of valuation metrics in the chart above, AMZN trades at a premium to the group save NFLX, and trades at double the P/FCF of the group.
- It appears that the market is paying a hefty price for AMZN on the prospects of blistering sales growth, that translates into significant future earnings.

Analyst's Notes.... Continued

Amazon.com Inc (AMZN US) - Adjusted

In Millions of USD except Per Share 12 Months Ending	FY 2009 12/31/2009	FY 2010 12/31/2010	FY 2011 12/31/2011	FY 2012 12/31/2012	FY 2013 12/31/2013	FY 2014 12/31/2014	FY 2015 12/31/2015	FY 2016 12/31/2016
Revenue	**24,509.0**	**34,204.0**	**48,077.0**	**61,093.0**	**74,452.0**	**88,988.0**	**107,006.0**	**135,987.0**
+ Sales & Services Revenue	24,509.0	34,204.0	48,077.0	61,093.0	74,452.0	88,988.0	107,006.0	135,987.0
- Cost of Revenue	18,978.0	26,561.0	37,288.0	45,971.0	54,181.0	62,582.0	71,651.0	88,265.0
+ Cost of Goods & Services	18,978.0	26,561.0	37,288.0	45,971.0	54,181.0	62,582.0	71,651.0	88,265.0
Gross Profit	**5,531.0**	**7,643.0**	**10,789.0**	**15,122.0**	**20,271.0**	**26,406.0**	**35,355.0**	**47,722.0**
	22.57%	**22.35%**	**22.44%**	**24.75%**	**27.23%**	**29.67%**	**33.04%**	**35.09%**
+ Other Operating Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Operating Expenses	4,351.0	6,237.0	9,927.0	14,371.0	19,514.0	26,058.0	33,122.0	43,536.0
+ Selling, General & Admin	1,008.0	1,499.0	2,288.0	3,304.0	4,262.0	5,884.0	7,001.0	9,665.0
+ Selling & Marketing	*680.0*	*1,029.0*	*1,630.0*	*2,408.0*	*3,133.0*	*4,332.0*	*5,254.0*	*7,233.0*
+ General & Administrative	*328.0*	*470.0*	*658.0*	*896.0*	*1,129.0*	*1,552.0*	*1,747.0*	*2,432.0*
+ Research & Development	1,240.0	1,734.0	2,909.0	4,564.0	6,565.0	9,275.0	12,540.0	16,085.0
+ Other Operating Expense	2,103.0	3,004.0	4,730.0	6,503.0	8,687.0	10,899.0	13,581.0	17,786.0
Operating Income (Loss)	**1,180.0**	**1,406.0**	**862.0**	**751.0**	**757.0**	**348.0**	**2,233.0**	**4,186.0**
- Non-Operating (Income) Loss	-28.0	-90.0	-68.0	-28.0	240.0	289.0	660.0	286.0
+ Interest Expense, Net	-3.0	-12.0	4.0	52.0	103.0	171.0	409.0	384.0
+ Interest Expense	*34.0*	*39.0*	*65.0*	*92.0*	*141.0*	*210.0*	*459.0*	*484.0*
- Interest Income	*37.0*	*51.0*	*61.0*	*40.0*	*38.0*	*39.0*	*50.0*	*100.0*
+ Foreign Exch (Gain) Loss	0.0	0.0	0.0	0.0	0.0	127.0	266.0	-21.0
+ (Income) Loss from Affiliates	—	—	—	—	—	0.0	—	—
+ Other Non-Op (Income) Loss	-25.0	-78.0	-72.0	-80.0	137.0	-9.0	-15.0	-77.0
Pretax Income (Loss), Adjusted	**1,208.0**	**1,496.0**	**930.0**	**779.0**	**517.0**	**59.0**	**1,573.0**	**3,900.0**
- Abnormal Losses (Gains)	47.0	-1.0	-4.0	235.0	11.0	170.0	5.0	8.0
+ Merger/Acquisition Expense	—	—	—	75.0	—	—	—	—
+ Impairment of Goodwill	—	—	—	—	—	—	—	—
+ Legal Settlement	51.0	—	—	—	—	—	—	—
+ Sale of Investments	-4.0	-1.0	-4.0	-10.0	-1.0	—	5.0	8.0
+ Other Abnormal Items	—	—	—	170.0	12.0	170.0	—	—
Pretax Income (Loss), GAAP	**1,161.0**	**1,497.0**	**934.0**	**544.0**	**506.0**	**-111.0**	**1,568.0**	**3,892.0**
- Income Tax Expense (Benefit)	253.0	352.0	291.0	428.0	161.0	167.0	950.0	1,425.0
+ Current Income Tax	172.0	348.0	155.0	693.0	317.0	483.0	869.0	1,671.0
+ Deferred Income Tax	81.0	4.0	136.0	-265.0	-156.0	-316.0	81.0	-246.0
+ Tax Allowance/Credit	0.0	0.0	0.0	0.0	0.0	—	—	—
- (Income) Loss from Affiliates	6.0	-7.0	12.0	155.0	71.0	-37.0	22.0	96.0
Income (Loss) from Cont Ops	**902.0**	**1,152.0**	**631.0**	**-39.0**	**274.0**	**-241.0**	**596.0**	**2,371.0**
- Net Extraordinary Losses (Gains)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
+ Discontinued Operations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
+ XO & Accounting Changes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income (Loss) Incl. MI	**902.0**	**1,152.0**	**631.0**	**-39.0**	**274.0**	**-241.0**	**596.0**	**2,371.0**
- Minority Interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net Income, GAAP	**902.0**	**1,152.0**	**631.0**	**-39.0**	**274.0**	**-241.0**	**596.0**	**2,371.0**
- Preferred Dividends	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Other Adjustments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net Income Avail to Common, GAAP	**902.0**	**1,152.0**	**631.0**	**-39.0**	**274.0**	**-241.0**	**596.0**	**2,371.0**
Net Income Avail to Common, Adj	**932.6**	**1,151.4**	**628.4**	**173.3**	**285.4**	**-130.5**	**599.3**	**2,376.2**
Net Abnormal Losses (Gains)	30.6	-0.7	-2.6	212.3	11.4	110.5	3.3	5.2
Net Extraordinary Losses (Gains)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Basic Weighted Avg Shares	433.0	447.0	453.0	453.0	457.0	462.0	467.0	474.0
Basic EPS, GAAP	**2.08**	**2.58**	**1.39**	**-0.09**	**0.60**	**-0.52**	**1.28**	**5.01**
Basic EPS from Cont Ops	**2.08**	**2.58**	**1.39**	**-0.09**	**0.60**	**-0.52**	**1.28**	**5.01**
Basic EPS from Cont Ops, Adjusted	**2.15**	**2.58**	**1.39**	**0.38**	**0.62**	**-0.28**	**1.28**	**5.01**
Diluted Weighted Avg Shares	442.0	456.0	461.0	453.0	465.0	462.0	477.0	484.0
Diluted EPS, GAAP	**2.04**	**2.53**	**1.37**	**-0.09**	**0.59**	**-0.52**	**1.25**	**4.90**

In Millions of USD except Per Share 12 Months Ending	FY 2009 12/31/2009	FY 2010 12/31/2010	FY 2011 12/31/2011	FY 2012 12/31/2012	FY 2013 12/31/2013	FY 2014 12/31/2014	FY 2015 12/31/2015	FY 2016 12/31/2016
Total Assets								
+ Cash, Cash Equivalents & STI	6,366.0	8,762.0	9,576.0	11,448.0	12,447.0	17,416.0	19,808.0	25,981.0
+ Cash & Cash Equivalents	3,444.0	3,777.0	5,269.0	8,084.0	8,658.0	14,557.0	15,890.0	19,334.0
+ ST Investments	2,922.0	4,985.0	4,307.0	3,364.0	3,789.0	2,859.0	3,918.0	6,647.0
+ Accounts & Notes Receiv	988.0	1,587.0	2,571.0	3,364.0	4,767.0	5,612.0	5,654.0	8,339.0
+ Accounts Receivable, Net	988.0	1,587.0	2,571.0	3,364.0	4,767.0	5,612.0	5,654.0	8,339.0
+ Notes Receivable, Net	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
+ Inventories	2,171.0	3,202.0	4,992.0	6,031.0	7,411.0	8,299.0	10,243.0	11,461.0
+ Raw Materials	—	—	—	—	—	—	—	—
+ Work In Process	—	—	—	—	—	—	—	—
+ Finished Goods	—	—	—	—	—	—	—	—
+ Other Inventory	—	—	—	—	—	—	—	—
+ Other ST Assets	272.0	196.0	351.0	453.0	0.0	0.0	0.0	0.0
+ Derivative & Hedging Assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
+ Deferred Tax Assets	272.0	196.0	351.0	453.0	—	—	—	—
+ Misc ST Assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Current Assets	**9,797.0**	**13,747.0**	**17,490.0**	**21,296.0**	**24,625.0**	**31,327.0**	**35,705.0**	**45,781.0**
+ Property, Plant & Equip, Net	1,290.0	2,414.0	4,417.0	7,060.0	10,949.0	16,967.0	21,838.0	29,114.0
+ Property, Plant & Equip	1,915.0	3,256.0	5,786.0	9,582.0	14,809.0	22,730.0	30,053.0	42,441.0
- Accumulated Depreciation	625.0	842.0	1,369.0	2,522.0	3,860.0	5,763.0	8,215.0	13,327.0
+ LT Investments & Receivables	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
+ Other LT Assets	2,726.0	2,636.0	3,371.0	4,199.0	4,585.0	6,211.0	7,204.0	8,507.0
+ Total Intangible Assets	1,234.0	1,349.0	2,602.0	3,277.0	3,300.0	4,083.0	4,751.0	4,638.0
+ Goodwill	*1,234.0*	*1,349.0*	*1,955.0*	*2,552.0*	*2,655.0*	*3,319.0*	*3,759.0*	*3,784.0*
+ Other Intangible Assets	*0.0*	*0.0*	*647.0*	*725.0*	*645.0*	*764.0*	*992.0*	*854.0*
+ Deferred Tax Assets	18.0	22.0	28.0	123.0	—	—	—	—
+ Derivative & Hedging Assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
+ Misc LT Assets	1,474.0	1,265.0	741.0	799.0	1,285.0	2,128.0	2,453.0	3,869.0
Total Noncurrent Assets	**4,016.0**	**5,050.0**	**7,788.0**	**11,259.0**	**15,534.0**	**23,178.0**	**29,042.0**	**37,621.0**
Total Assets	**13,813.0**	**18,797.0**	**25,278.0**	**32,555.0**	**40,159.0**	**54,505.0**	**64,747.0**	**83,402.0**
Liabilities & Shareholders' Equity								
+ Payables & Accruals	7,223.0	10,148.0	14,372.0	17,868.0	20,113.0	22,666.0	27,405.0	33,851.0
+ Accounts Payable	5,605.0	8,051.0	11,145.0	13,318.0	15,133.0	16,459.0	20,397.0	25,309.0
+ Accrued Taxes	0.0	0.0	0.0	0.0	0.0	0.0	—	—
+ Interest & Dividends Payable	0.0	0.0	0.0	0.0	0.0	0.0	—	—
+ Other Payables & Accruals	1,618.0	2,097.0	3,227.0	4,550.0	4,980.0	6,207.0	7,008.0	8,542.0
+ ST Debt	141.0	224.0	524.0	1,134.0	1,708.0	3,600.0	3,364.0	5,197.0
+ ST Borrowings	0.0	6.0	0.0	0.0	0.0	0.0	0.0	0.0
+ ST Capital Leases	119.0	218.0	377.0	555.0	955.0	2,080.0	3,126.0	4,141.0
+ Current Portion of LT Debt	22.0	—	147.0	579.0	753.0	1,520.0	238.0	1,056.0
+ Other ST Liabilities	0.0	0.0	0.0	0.0	1,159.0	1,823.0	3,118.0	4,768.0
+ Deferred Revenue	0.0	0.0	0.0	0.0	1,159.0	1,823.0	3,118.0	4,768.0
+ Derivatives & Hedging	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
+ Misc ST Liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Current Liabilities	**7,364.0**	**10,372.0**	**14,896.0**	**19,002.0**	**22,980.0**	**28,089.0**	**33,887.0**	**43,816.0**
+ LT Debt	240.0	641.0	1,415.0	3,830.0	5,181.0	12,489.0	14,175.0	15,213.0
+ LT Borrowings	97.0	89.0	817.0	3,093.0	3,746.0	8,265.0	8,227.0	7,694.0
+ LT Capital Leases	143.0	552.0	598.0	737.0	1,435.0	4,224.0	5,948.0	7,519.0
+ Other LT Liabilities	952.0	920.0	1,210.0	1,531.0	2,252.0	3,186.0	3,301.0	5,088.0
+ Accrued Liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
+ Pension Liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
+ Pensions	—	—	—	—	—	*0.0*	—	—
+ Other Post-Ret Benefits	—	—	—	—	—	*0.0*	—	—
+ Deferred Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
+ Deferred Tax Liabilities	—	—	—	—	—	1,021.0	407.0	392.0
+ Derivatives & Hedging	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
+ Misc LT Liabilities	952.0	920.0	1,210.0	1,531.0	2,252.0	2,165.0	2,894.0	4,696.0
Total Noncurrent Liabilities	**1,192.0**	**1,561.0**	**2,625.0**	**5,361.0**	**7,433.0**	**15,675.0**	**17,476.0**	**20,301.0**
Total Liabilities	**8,556.0**	**11,933.0**	**17,521.0**	**24,363.0**	**30,413.0**	**43,764.0**	**51,363.0**	**64,117.0**
+ Preferred Equity and Hybrid Capital	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
+ Share Capital & APIC	5,741.0	6,330.0	6,995.0	8,352.0	9,578.0	11,140.0	13,399.0	17,191.0
+ Common Stock	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
+ Additional Paid in Capital	5,736.0	6,325.0	6,990.0	8,347.0	9,573.0	11,135.0	13,394.0	17,186.0
- Treasury Stock	600.0	600.0	877.0	1,837.0	1,837.0	1,837.0	1,837.0	1,837.0
+ Retained Earnings	172.0	1,324.0	1,955.0	1,916.0	2,190.0	1,949.0	2,545.0	4,916.0
+ Other Equity	-56.00	-190.00	-316.00	-239.00	-185.00	-511.00	-723.00	-985.00
Equity Before Minority Interest	**5,257.0**	**6,864.0**	**7,757.0**	**8,192.0**	**9,746.0**	**10,741.0**	**13,384.0**	**19,285.0**
+ Minority/Non Controlling Interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Equity	**5,257.0**	**6,864.0**	**7,757.0**	**8,192.0**	**9,746.0**	**10,741.0**	**13,384.0**	**19,285.0**
Total Liabilities & Equity	**13,813.0**	**18,797.0**	**25,278.0**	**32,555.0**	**40,159.0**	**54,505.0**	**64,747.0**	**83,402.0**

Analyst's Notes.... Continued

In Millions of USD except Per Share 12 Months Ending	FY 2009 12/31/2009	FY 2010 12/31/2010	FY 2011 12/31/2011	FY 2012 12/31/2012	FY 2013 12/31/2013	FY 2014 12/31/2014	FY 2015 12/31/2015	FY 2016 12/31/2016
+ Net Income	902.0	1,152.0	631.0	-39.0	274.0	-241.0	596.0	2,371.0
+ Depreciation & Amortization	378.0	568.0	1,083.0	2,159.0	3,253.0	4,746.0	6,281.0	8,116.0
+ Non-Cash Items	401.0	194.0	725.0	537.0	1,181.0	1,363.0	2,486.0	2,040.0
+ Stock-Based Compensation	236.0	165.0	495.0	404.0	1,056.0	1,491.0	2,000.0	2,146.0
+ Deferred Income Taxes	81.0	4.0	136.0	-265.0	-156.0	-316.0	81.0	-246.0
+ Other Non-Cash Adj	84.0	25.0	94.0	398.0	281.0	188.0	405.0	140.0
+ Chg in Non-Cash Work Cap	1,612.0	1,581.0	1,464.0	1,523.0	767.0	974.0	2,557.0	3,916.0
+ (Inc) Dec in Accts Receiv	-481.0	-295.0	-866.0	-861.0	-846.0	-1,039.0	-1,755.0	-3,367.0
+ (Inc) Dec in Inventories	-531.0	-1,019.0	-1,777.0	-999.0	-1,410.0	-1,193.0	-2,187.0	-1,426.0
+ Inc (Dec) in Accts Payable	1,859.0	2,373.0	2,997.0	2,070.0	1,888.0	1,759.0	4,294.0	5,030.0
+ Inc (Dec) in Other	765.0	522.0	1,110.0	1,313.0	1,135.0	1,447.0	2,205.0	3,679.0
+ Net Cash From Disc Ops	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cash from Operating Activities	**3,293.0**	**3,495.0**	**3,903.0**	**4,180.0**	**5,475.0**	**6,842.0**	**11,920.0**	**16,443.0**
Cash from Investing Activities								
+ Change in Fixed & Intang	-373.0	-979.0	-1,811.0	-3,785.0	-3,444.0	-4,893.0	-4,589.0	-6,737.0
+ Disp in Fixed & Intang	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
+ Disp of Fixed Prod Assets	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*
+ Disp of Intangible Assets	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*
+ Acq of Fixed & Intang	-373.0	-979.0	-1,811.0	-3,785.0	-3,444.0	-4,893.0	-4,589.0	-6,737.0
+ Acq of Fixed Prod Assets	*-373.0*	*-979.0*	*-1,811.0*	*-3,785.0*	*-3,444.0*	*-4,893.0*	*-4,589.0*	*-6,737.0*
+ Acq of Intangible Assets	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*
+ Net Change in LT Investment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
+ Dec in LT Investment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
+ Inc in LT Investment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
+ Net Cash From Acq & Div	-40.0	-352.0	-705.0	-745.0	-312.0	-979.0	-795.0	-116.0
+ Cash from Divestitures	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
+ Cash for Acq of Subs	-40.0	-352.0	-705.0	-745.0	-312.0	-979.0	-795.0	-116.0
+ Cash for JVs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
+ Other Investing Activities	-1,924.0	-2,029.0	586.0	935.0	-520.0	807.0	-1,066.0	-3,023.0
+ Net Cash From Disc Ops	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cash from Investing Activities	**-2,337.0**	**-3,360.0**	**-1,930.0**	**-3,595.0**	**-4,276.0**	**-5,065.0**	**-6,450.0**	**-9,876.0**
Cash from Financing Activities								
+ Dividends Paid	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
+ Cash From (Repayment) Debt	-385.0	-78.0	-267.0	2,790.0	-617.0	4,426.0	-3,882.0	-3,740.0
+ Cash From (Repay) ST Debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
+ Cash From LT Debt	87.0	143.0	177.0	3,378.0	394.0	6,359.0	353.0	621.0
+ Repayments of LT Debt	-472.0	-221.0	-444.0	-588.0	-1,011.0	-1,933.0	-4,235.0	-4,361.0
+ Cash (Repurchase) of Equity	105.0	259.0	-215.0	-531.0	78.0	6.0	119.0	829.0
+ Increase in Capital Stock	105.0	259.0	62.0	429.0	78.0	6.0	119.0	829.0
+ Decrease in Capital Stock	0.0	0.0	-277.0	-960.0	0.0	0.0	0.0	0.0
+ Other Financing Activities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
+ Net Cash From Disc Ops	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cash from Financing Activities	**-280.0**	**181.0**	**-482.0**	**2,259.0**	**-539.0**	**4,432.0**	**-3,763.0**	**-2,911.0**
Effect of Foreign Exchange Rates	-1.0	17.0	1.0	-29.0	-86.0	-310.0	-374.0	-212.0
Net Changes in Cash	**675.0**	**333.0**	**1,492.0**	**2,815.0**	**574.0**	**5,899.0**	**1,333.0**	**3,444.0**
Cash Paid for Taxes	**48.0**	**75.0**	**33.0**	**112.0**	**169.0**	**177.0**	**273.0**	**412.0**
Cash Paid for Interest	**32.0**	**11.0**	**14.0**	**31.0**	**97.0**	**91.0**	**478.0**	**496.0**

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