

Amazon posts modest earnings amid higher revenue

Kinibiz.com

Apr 25, 2014

By dpa

Amazon, the world's largest on-line retailer, on Thursday announced a modest profit of US\$108 million in its first quarter, compared to 82 million in the first quarter of 2013.

The company reported revenue of US\$19.74 billion, 23% higher than the same quarter the year before.

However, the company also expended US\$1.99 billion on technology and content in the first quarter, up 44% from the first quarter 2013.

Amazon's strategy is to reinvest profits into the business. For example, the company sells its Kindle-Fire tablets at near production cost in the hope that profits will accrue later via video on demand.

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Source: <http://www.kinibiz.com/story/world-biz/83152/amazon-posts-modest-earnings-amid-higher-revenue.html>