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Amazon.com, Inc. (NASDAQ: AMZN)

Update: Future profitability as key valuation metric - OUTPERFORM

July 28, 2000

KEY CONSIDERATIONS

- Amazon's second quarter revenue was $578 million, a growth of 84% over the same time last year. However sequentially, growth was a mere 1% over the first quarter.

- Cumulative customer accounts increased by 2.5 million to 22.5 million as of June 30, 2000, and now stand at over 23 million. Repeat customer orders represented 78% of orders in the second quarter, up from 70% the previous year.

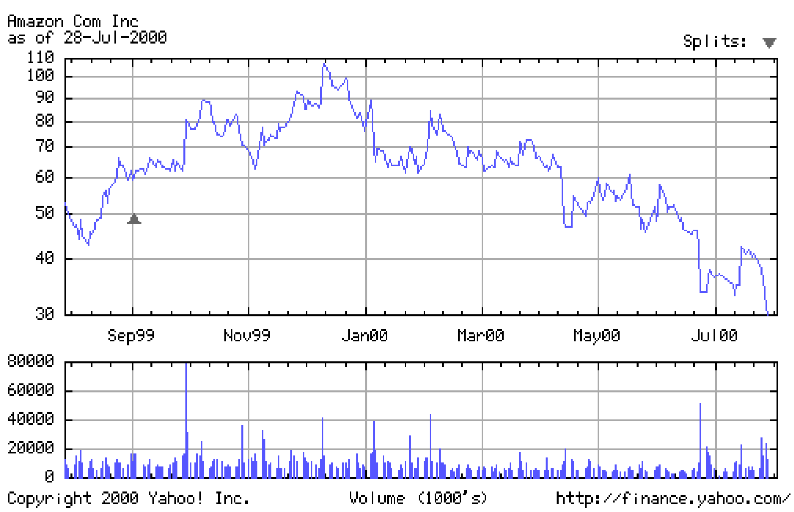
- Despite beating the earnings consensus to end the quarter with a pro forma net loss of $0.33 per share, a passel of events, including the departure of President and COO Joe Galli, a suspect cash flow, a light Q2 revenue, and multiple downgrades, have dragged the company's stock to its recent 52-week low.

- While the industry is expected to pick up, future investors will be looking intently to Amazon's profitability as a key valuation metric.

Recent Price	$30.00
52-Week Low	$29.00
52-Week High	$113.00
Price/Book	409.84
Price/Sales	4.64
Market Capitalization	$10,553 M
Shares Outstanding	351.77 M
Float	137.20 M
Daily Volume (3-Month Average)	8.59 M

EPS	Operating	Reported
1999	(1.19)	(2.20)
1Q00	(0.35)	(0.90)
2Q00	(0.33)	(0.91)
3Q00E	(0.32)	(0.85)
4Q00E	(0.27)	(0.81)
2000E	(1.28)	(3.47)
2001E	(0.53)	(2.21)

ONE-YEAR PRICE AND VOLUME GRAPH



COMPANY PROFILE

Based in Seattle, Washington, Amazon.com, Inc. is the Internet's number one music, DVD and video, and book retailer. Amazon.com opened its virtual doors on the World Wide Web in July 1995, and today offers Earth's Biggest Selection, along with online auctions and free electronic greeting cards. Amazon.com seeks to be the world's most customer-centric company, where customers can find and discover anything they want to buy online. It lists more than 18 million unique items in categories including books, CDs, toys, electronics, videos, DVDs, tools and hardware, lawn and patio items, kitchen products, software, and video games. Amazon's website can be accessed via www.amazon.com.

This report was prepared by Edwin Basuki, and David R. Rivas, Ph.D.

RECENT DEVELOPMENTS

SECOND QUARTER PERFORMANCE

- Net sales for the second quarter were $578 million, an increase of 84% year-over-year.
- Pro forma net loss was $116 million, or $0.33 per share, compared to a pro forma net loss of $83 million, or $0.26 per share, for the same period in 1999.
- U.S. Books, Music and DVD/Video segment produced a pro forma operating profitability of $10 million, and Amazon's Electronics store, launched in July 1999, became its fastest-growing store yet.
- Cumulative customer accounts increased by 2.5 million during the second quarter to more than 22.5 million as of June 30, 2000, and now stand at over 23 million. Repeat customer orders represented 78% of orders in the second quarter, up from 70% the previous year.

HIGHLIGHTS

July 25, 2000. Joe Galli, president and chief operating officer, left the company for personal reasons. Amazon.com CEO Jeff Bezos said, "We'd like to thank Joe for his hard work and accomplishments over the last year. I believe he is making the right decision for him and his family circumstances. We all wish him the very best." Bezos will continue as CEO and resume the duties of president.

July 10, 2000. In what is sure to be one of the largest sales and distribution events in e-commerce history, Amazon teamed up with FedEx to provide complimentary Saturday delivery upgrades for the first 250,000 orders of Harry Potter and the Goblet of Fire, placed via the Amazon.com website, to eager fans across the country on Saturday, July 8 - the first day the book was available to the public. In addition, a worldwide total of 410,000 copies had been advance-ordered on Amazon.com prior to its first day release, making the title the company's largest pre-order ever.

May 16, 2000. NextCard the leading issuer of consumer credit on the Internet, introduced the unique Amazon.com NextCard Visa, offering no annual fee, the latest in credit card technology and the ability to earn rewards points that can be redeemed for Amazon.com gift certificates. The cobranded credit card offers 30-second online approval and access to online services such as statement viewing and payment, account alerts, balance transfers, and Internet-enabled chat with customer service representatives.

NEW PRODUCT AND SERVICE OFFERINGS

May 31, 2000. The company announced the availability of more than 22,000 hours of spoken audio content from Audible, Inc., the leader in Internet-delivered spoken audio for PC-based listening or playback on AudibleReady portable digital audio players. This follows the January agreement that two companies had entered a strategic alliance. Located in the Amazon.com Books store, the new audible.com Audio Downloads Store offers Amazon.com's 20 million customers access to more than 4,700 audio books plus a vast array of comedy, audio newspapers, magazines and business information available in downloadable audio format.

May 19, 2000. The new Home Living store (www.amazon.com/homeliving) was launched following the February 1, 2000 announcement that the company and Living.com had entered a strategic alliance to create an integrated Home Living tab at Amazon.com. Apart from home furnishings, the store will also feature innovative tools and services, such as the interactive Room-Designer, award-winning Style Finder, and free professional design advice from "Ask-a-Designer".

May 5, 2000. Amazon Auction introduced Bid for Featured Placement, which allow sellers the opportunity to determine their items' placements based on the amount they are willing to pay per day. A minimum participation fee of five cents per day, per level allows sellers to bid for the Auctions home page, the browse-all-categories page, or in the appropriate category levels of their choice.

May 2, 2000. The Amazon Kitchen store (www.amazon.com/kitchen) was launched to provide a convenient, information-rich shopping experience for both the cooking novice and the gourmet, offering a vast merchandise selection alongside in-depth editorial content.

April 19, 2000. Amazon Anywhere, a business division of Amazon.com specializing in mobile e-commerce, announced that customers can shop at Amazon.com via the new Pocket PC through Pocket Internet Explorer at www.amazon.com/pocketpc. In addition, customers can buy or place pre-orders, while supplies last, on Pocket PC devices from Casio, Compaq, and Hewlett-Packard at the Amazon.com Electronics store.

April 17, 2000. Amazon launched its new Health & Beauty store, providing a direct gateway to Drugstore.com. This follows the January 24, 2000 joint announcement that the two companies had entered into a strategic alliance to create an integrated Health & Beauty tab, located at the Amazon.com website.

April 5, 2000. The Lawn & Patio store was launched, providing thousands of popular and hard-to-find products for lawn and patio decoration, care, and enjoyment. The store (www.amazon.com/lawnandpatio) features an extensive selection of outdoor grills, patio furniture, birdfeeders, lawn mowers, garden tools and decorative ornaments from more than 50 leading brands.

March 22, 2000. Amazon.com's Internet Movie Database (IMDb.com) announced an Independent Film section, located at http://indie.imdb.com featuring broad independent movie coverage, currently offering in-depth searching capabilities for more than 20,000 independent titles. The section will include news on the latest indie films, background information on a featured "movie of the week," lists of the top-selling independent films and soundtracks, articles, production notes, discussion boards, details of future film festivals, and interviews with established and up-and-coming filmmakers.

February 28, 2000. Amazon Anywhere unveiled a new URL (www.amazon.com/phone) for mobile e-commerce customers worldwide, providing the convenience of a safe shopping experience from Internet-enabled wireless devices.

ALLIENCES AND PARTNERSHIPS

July 18, 2000. Bidpath Corporation (www.bidpath.com), the universal platform and e-infrastructure solution provider for the $200 billion U.S. traditional auction industry, announced a strategic alliance with Amazon.com LiveBid Auctions to integrate company capabilities and bring auctioneers the best technical Internet efficiencies on the market today. According to the agreement, Bidpath and Amazon.com LiveBid Auctions will co-market to auctioneers, cross-sell to B2B and B2C auction customers and combine online and live broadcast technologies to provide greater ability and convenience to attract buyers and sellers around the globe.

May 31, 2000. Hewlett-Packard Company (HP) announced an agreement with Amazon aimed at supporting the Internet-based infrastructure and enhancing the selection of HP products available at Amazon. HP becomes the primary Internet infrastructure provider for the company and will supply 90% of its applicable infrastructure requirements. By doing so, HP will expand its role in supporting the company's operations to include the advanced Internet servers and storage that will power Amazon's website, distribution and supply-chain management processes, as well as PCs for Amazon's employees at work. HP will also provide always-on infrastructure support services to ensure the company's systems work effectively during peak e-tailing sessions. In addition to the infrastructure agreement, HP will become an anchor tenant in Amazon's Electronics Store, providing Amazon's 20 million customers with an even more extensive selection of HP products.

April 18, 2000. The company announced its investment in WineShopper.com, the San Francisco and Napa-based Internet start-up that will ultimately offer consumers access to the largest selection of wines available anywhere. Amazon.com invested $30 million in 1999. WineShopper.com (www.wineshopper.com) is currently serving customers in California only, but plans to roll out on a state-by-state basis, with the goal of serving between 70 and 80 percent of the U.S. market by the 2000 holiday season. More than 550 wineries, importers and suppliers, and 250 wholesalers in 45 states representing about 85 percent of the U.S. population, have agreed to participate in the WineShopper system.

March 28, 2000. Amazon invested $17.5 million in eZiba.com, a leading online retailer of handcrafted products from around the world, and will introduce eZiba.com's product offerings to its 20 million customers. eZiba.com (www.eziba.com) is a premier source for world crafts, offering exclusively via the Internet, beautiful objects of every kind - home furnishings, apparel, jewelry, and gifts - made by artisans from every corner of the globe. eZiba.com combines a select and constantly changing retail product offering with exclusive-collection auctions and information about the origins of the products it sells. Upon completion of its investment this past January, Amazon.com owns approximately 20 percent of eZiba.com's outstanding shares, with warrants to acquire additional shares in the company.

March 20, 2000. Amazon announced that it has invested $60 million in Kozmo.com (www.kozmo.com), the leading "e-mmediate" Internet-to-door delivery service. Based in New York, Kozmo.com provides consumers with a one-hour delivery service for entertainment and convenience products, and currently serves the New York, Boston, Washington, D.C., San Francisco, Seattle and Los Angeles markets. Also, in exchange for warrants to purchase additional shares in Kozmo.com, the company has reached a three-year strategic alliance with Kozmo.com. Under this new agreement, Amazon.com will begin offering a one-hour delivery option to its customers. The one-hour delivery option will be launched at a later date. When the service is launched, Amazon.com customers will be able to choose Kozmo.com as a one-hour fulfillment and delivery option for certain book, music and toy orders. Under the terms of the agreement, Amazon.com can also use other one-hour delivery service providers.

INDUSTRY

Market Opportunity

In 1998, consumer e-commerce transactions totaled $7 billion. The next year, it grew by 286% to end 1999 at $27 billion. According to Forrester Research, 49.4 million U.S. households will be shopping online by 2004, spending approximately $184 billion, or 7% of all retail sales. In addition, Forrester Research projects that during the next four years the average annual online spending per online shopping household will nearly triple to $3,738 due to consumer reliance on the Internet for frequently purchased merchandise such as groceries, as well as due to technological advances. With retail transactions figuring an estimated $5 trillion annually, those forecasts are not hard to imagine given just a modest migration of purchases online. As of 1999, Amazon’s $1.6 billion in revenues represented 6% of total consumer e-commerce, and is expected to grow by a further percentage point or two in the following years.

Investment Environment

As opposed to the frothy market conditions that prevailed just a few months ago, the current investment environment has become more conservative. In order to justify rich valuations, companies will have to demonstrate an ability to grow earnings over the short and longer terms. There is a dearth of venture capital and corporate investment, especially for online retailers. Investors’ confidence seemed to have been shaken in their belief in ultimate profitability of this arena, and have swayed capital more into the business-to-business (B2B) sector. Capital markets have dried up for the dot-com competition, while land-based retailers attempting to break into the cyber-marketplace remained unsuccessful and hesitant.

As a result, we believe that this presents an opportunity for a well-positioned online retailer like Amazon to take advantage of the open playing field. With its established reputation and customer base, it could further stamp its authority as the dominant player in the industry.

COMPETITION

Since the explosion of the dot-com era, through to the stock market blowout several months ago, Amazon has maintained its dominant position within the e-commerce sector. What started out as a cyber-bookstore, today offers Earth's Biggest Selection online. Amazon remains the best place for customers to find and discover anything they want to buy online. Thus, in its ability to provide a wide-selection of offerings online, Amazon has no peers. However, we believe that competition will come in the following forms:

- **Specialized e-tailers.** The main threat from other e-commerce sites to Amazon currently lies in their respective specialties. Companies like Barnes&Noble.com, eToys, CDNow and eBay are major players in the online books, toys, music and auction sectors respectively, and individually they present a competitive threat to each of Amazon's product lines.

- **Bricks-and-Mortars.** These players hold certain inherent advantages, such as branding and an existing customer base. On the other hand, the challenge in translating these real world assets into an online edge is not as seemingly straightforward. Internet retailing requires a distinct set of skills that create a total value for the consumer, which incorporates price and service. So far these challenges have often eluded even the most established land-based retailers, such as Wal-Mart and Toys 'R' Us. However, we believe that with the impending migration of significant commerce traffic online, these companies will make more concrete and serious ventures to bring their business online, and they will certainly have the resources to carry it through.

- **Consumer-driven commerce.** We believe that the next evolutionary e-commerce marketplace will be consumer-driven websites that operate on behalf of purchasers, and leverage the Internet to optimize the transaction. PriceLine's "name your own price" commerce system is one such example. As the pioneering company to originate this concept, PriceLine is already expanding into new markets and product lines from its initial discounted travel bargains staple. Its business model is certainly applicable to virtually every transaction category, much like Amazon's own concept in becoming today's e-commerce leader.

KEY RISK FACTORS

Accumulated Deficit and Anticipation of Further Losses
Since its formation, the company has incurred significant losses in income. As of June 30, 2000, the accumulated deficit was $1.5 billion. While income is expected to be generated on a pro forma operating basis for the US Books, Music and DVD/video segment for the full year in 2000, operating losses will continue to be incurred for the foreseeable future. These losses may be significantly higher than the current losses. To succeed, Amazon must invest heavily in marketing and promotion, and in developing product offerings and technology, and operating infrastructure. Furthermore, in today's tight labor market the company could be forced to increase cash compensation to employees, which could hurt operating results. In addition, the expenses associated with recent and future acquisitions and investments, and interest expense related to outstanding debt securities will also adversely affect operating results. Aggressive pricing programs have resulted in relatively low gross margins. We believe that historical revenue growth rates are not sustainable and percentage growth rate will decrease in the future.

Spreading Businesses Too Thin
The company is continually expanding operations by promoting new or complementary products, services or sales formats, and by expanding product or service offerings. This will require significant additional expense and could strain management, financial and operational resources. Recent Q2 results showed that if Amazon had stuck to their primary businesses in books, music and DVD/video, it would have achieved operating profitability. Amazon cannot expect to benefit in these new markets from the first-to-market advantage that was experienced in the online book market. Gross margins in these new business areas may be lower than existing business activities. In addition, there may be limited or no experience in these new business areas. Amazon may not be able to expand operations in a cost-effective or timely manner. Any new business that customers do not receive favorably could damage the company's reputation and brand name.

Fluctuations in Operating Results
Due to limited operating history and the unpredictability of the industry, accurately forecasted revenues are not feasible. The company base current and future expense levels on investment plans and estimates of future revenues. Amazon's expenses are, to a large extent, fixed. As such, it may not be able to adjust spending quickly if revenues fall short of expectations. Furthermore, pricing, purchasing, service, marketing, acquisition, investment or financing decisions may be made that could adversely affect operating results.

EXPLANATION OF FINANCIALS

Revenues
June quarter has seasonally been the most challenging period for Amazon. In light of the slowing economy and interest rate uncertainties, U.S. consumer spending rose by just 0.2 percent in both April and May, according to the Commerce Department. The result of which was a particularly light quarter, with net sales up a mere 1 percent from Q1. Year-over-year growth was 84%, short of Amazon's internal target of 90%. International sales, including exports from the U.S., were 23% of sales in Q2. Amazon.co.uk and Amazon.de sales were $73 million, up 134% from $31 million year-over-year. Within the new business category, the Amazon Commerce Network advertising revenues were flat at $20 million in anticipation of renegotiating current deals. However, we look to the second half of the year with much anticipation and optimism, with the traditional year-end spending and Amazon's new business ventures expected to bear its returns.

Gross Margins
Q2 gross margin was 23.5%, a 1.2 percentage point improvement from Q1. Improvement in gross margin can be attributed to not only the solid development in shipping margin from -5% last quarter to a positive 10% this quarter, but also a double digit increment in inventory record accuracy which resulted from efficient management and tight controls. Going forward, the company expects gross margin improvements to outpace revenue growth.

Operating Expenses
Amazon's marketing and sales expenses are comprised of fulfillment costs, as well as advertising and promotion. With the current customer base encompassing 8% of U.S. households, the company plans to leverage this potential by marketing more heavily to existing customers into making repeat purchases. Through items such as wish lists and recommendations, these marketing strategies are employed to improve customer experience and drive incremental sales. For Q2, Amazon's fulfillment expenses, which include distribution costs, customer service costs and net credit card fees, were $88 million, or 15% of revenue. In addition, taking into consideration the recent ground-breaking promotion of the Harry Potter release, and plans for more of similar events in the future, we expect marketing and sales margin to only slightly decline, if not, remain flat for the near term. Furthermore, in the drive to seek higher rates of growth, gross profit and bottom line results, both long-term and short-term, the company dedicated 50% of software development resources for the year 2000 to operational excellence and towards future scalability of the platform.

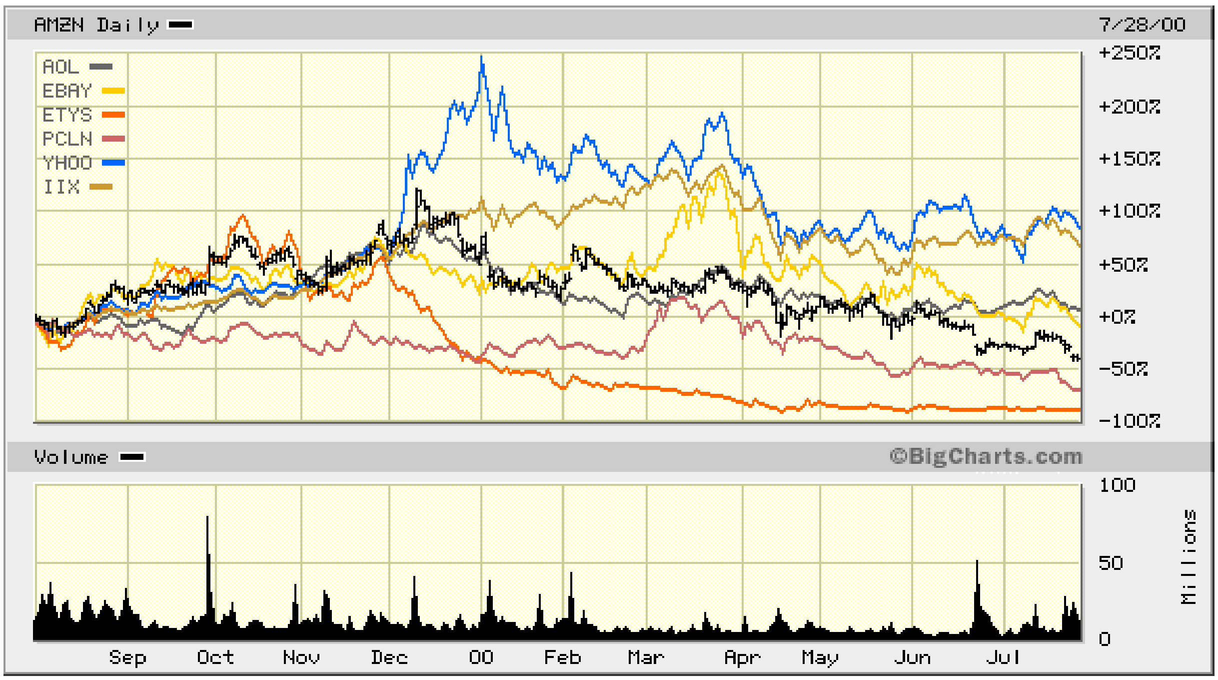
Cash

With recent comments surrounding Amazon's cash position and its credit worthiness, we believe that the current balance of $908 million will go some way in quelling those pessimisms for now. Despite cash balances declining $101 million in Q2, the company has announced that it is confident in ending the year with an estimated $1 billion in cash.

VALUATION

Internet Sector

While Amazon's stock show correlation with the general consensus of the Internet industry, a comparison with the Internet Index (IIX) clearly shows its under-performance since late December, 1999. However, apart from Yahoo!, this downward trend has been experienced by most of the other e-commerce companies, including stable picks like AOL.



Courtesy of BigCharts

Price Ratios

In general, Amazon show above-average P/S ratio. However, as the walls of distinction among internet players are becoming more blurred with the consolidation of different aspects of the internet business coming to play, and the fact that e-tailing is getting to become more diversified, and less specialized, likewise the company has to consider not only its peers, but other internet giants like Yahoo! and AOL as competitors, and thus, comparables. Having established that kind of a long-term view of status quo, the company's P/S ratio and gross margin is currently not in the same league as these players. But if there is one explanation and clear indicator of this discrepancy, then look no further than the bottom-line financials. Companies like Yahoo!, AOL and even fellow e-commerce player eBay have achieved operating profitability, while others like PriceLine, eToys and Amazon are still playing catch-up. Hence, while we believe that as an e-commerce leader and an established internet name, the company is slightly under-valued, we have to understand that Wall Street is playing a different game as it did just months before. A money-losing dot-com these days is not going to be valued highly until it has tangible proof of its worth. Proof of profitability.

Value Comparison as of July 28, 2000							
	Price ($)	Market Cap ($ million)	Sales, TTM* ($ million)	P/S	Gross Margin, TTM* (%)	Customer Base (million)	Price/Customer Base
Amazon.com	30.00	10,553	2,184	4.64	18.44	22.5	469
America Online	53.81	123,629	6,853	20.37	49.66	23.2	5,329
eBay	46.88	12,303	316	40.88	72.43	15.8	779
eToys	4.97	604	168	3.53	19.24	2.1	288
Priceline	24.50	4,188	987	3.30	13.54	6.8	616
Yahoo!	126.75	68,859	855	91.44	83.20	-	-

* Trailing 12 months ending June 30, 2000.

INVESTMENT OPINION

Amazon is one of the biggest names in the online industry today. Recently ranked the world's 48th most valuable brand in Interbrand's annual survey, its recent stock performance has certainly not done this accolade much justice. A passel of events, including the departure of President and COO Joe Galli, a suspect cash flow, a light Q2 revenue, and multiple downgrades have dragged the company's stock to its recent 52-week low. This, despite beating its second quarter earnings consensus by 2 pennies.

In light of a tough quarter, the company's operating efficiency continue to improve, its cash position is strong, and gross margins are at a healthy level. Unfortunately, these top-line appetizers do not make the bottom-line main course any more appetizing. For too long, Amazon has successfully dodged the question of profitability. Successful, because in the midst of the e-commerce gold rush everybody simply jumped onto the bandwagon. But with recent market sentiments, or lack of it, and with the dot-com capital well running dry, Wall Street is going back to its basics. Profitability, one of the key fundamental objectives in any business, was once a forgotten word only months ago. Well, what a quarter makes, now it seems to not only be back in favor, but back with a vengeance. Amazon's reluctance to set a profitability target date is not only unsettling to investors, but also setting the rumor mills in the market whispering if they would ever get out of the red.

Certainly, the future of e-commerce is far from bleak. We believe that the recent internet slump will take a bounce for the better. On the other hand, what Wall Street has learnt from recent history will set a more discriminate tone in future investments of this sector. A solid business plan, competent management and strong financials to show for it will be ultimately decide investment picks rather than a monkey-darting list of dot-coms. Amazon is no monkey's pick. However, what was suppose to be an online operation free from the growing pains associated with a real world bricks-and-mortar, has taken a deviation from its original path. While change is often necessary, along with it comes a whole set of new challenges. We believe that the company may have set the bar a little too high in this aspect, and is consequently finding it hard to keep up. This is evident by the fact that Q2 saw operating profitability in Amazon's U.S. Books, Music and DVD/Video segment, the company's core product lines, while its overall bottom-line results are still seeing red.

Despite Amazon's is slow march towards profitability, we believe that the tide of momentum for the rosy outlook of the e-commerce sector, and the internet in general, coupled by Amazon's established platform and large customer base will see this giant e-tailer safely through. Nevertheless, until its progress is more clearly defined, we have rated it a **Long-Term Outperform**.

The recent weakness in share price presents a good window of opportunity to purchase the company's stock. We believe that following the announcement of the recent second quarter's results, the worst is past, at least for the near term, and hence we have rated the stock a **Short-Term Buy**.

AMAZON.COM
Statements of Operations

($000, except per share data)	FY98	FY99	1Q00	2Q00	3Q00E	4Q00E	FY00E	FY01E
Net Sales	609,996	1,639,839	573,889	577,876	625,000	1,030,000	2,806,765	4,250,000
Cost of Goods Sold	476,155	1,349,194	445,755	441,812	475,000	777,650	2,140,217	3,250,000
Gross Profit	133,841	290,645	128,134	136,064	150,000	252,350	666,548	1,000,000
Operating Expenses:								
Marketing & Sales	133,023	412,672	140,111	129,813	140,625	221,450	631,999	720,000
Product Development	46,807	160,093	61,244	67,132	75,000	72,100	275,476	310,000
General & Administrative	15,799	70,274	26,045	28,468	34,375	46,350	135,238	110,000
Amortization, M&A Related Costs	50,172	290,236	98,626	91,028	95,579	100,358	385,592	425,000
Total Operating Expenses	245,801	933,275	326,026	316,441	345,579	440,258	1,428,305	1,565,000
Operating Income (Loss)	(111,960)	(642,630)	(197,892)	(180,377)	(195,579)	(187,908)	(761,757)	(565,000)
Net Interest Income (Expense) & Other	(12,586)	(37,445)	(22,269)	(26,355)	(12,000)	(10,000)	(70,624)	(70,000)
Equity in losses of investees	-	39,893	88,264	110,452	90,000	90,000	378,716	250,000
Net Income (Loss)	(124,546)	(719,968)	(308,425)	(317,184)	(297,579)	(287,908)	(1,211,097)	(885,000)
	-	-					-	-
Net Income (Loss) Ex. Amort., M&A	(74,374)	(389,839)	(121,535)	(115,704)	(112,000)	(97,550)	(446,789)	(210,000)
Earnings Per Share	(0.42)	(2.20)	(0.90)	(0.91)	(0.85)	(0.81)	(3.47)	(2.21)
Operating Earnings Per Share	(0.25)	(1.19)	(0.35)	(0.33)	(0.32)	(0.27)	(1.28)	(0.53)
Shares Outstanding	296,343	326,753	343,884	348,000	350,000	355,000	349,221	400,000
Margin Analysis (% of Sales)								
Gross Margin	21.9%	17.7%	22.3%	23.5%	24.0%	24.5%	23.7%	23.5%
Marketing & Sales	21.8%	25.2%	24.4%	22.5%	22.5%	21.5%	22.5%	16.9%
Product Development	7.7%	9.8%	10.7%	11.6%	12.0%	7.0%	9.8%	7.3%
General & Administrative	2.6%	4.3%	4.5%	4.9%	5.5%	4.5%	4.8%	2.6%
Operating Margin	-18.4%	-39.2%	-34.5%	-31.2%	-31.3%	-18.2%	-27.1%	-13.3%
Net Margin	-20.4%	-43.9%	-53.7%	-54.9%	-47.6%	-28.0%	-43.1%	-20.8%
Growth								
Net Sales (Q/Q)	-	-	-15%	1%	8%	65%	-	-
Net Sales (Y/Y)	313%	169%	95%	84%	76%	52%	71%	51%
Ending Customers	6200	16900	20000	22500	23500	28000	28000	35000