

Sellers on Amazon are Thriving: Fulfillment by Amazon (FBA) Delivered More than 2 Billion Items for Sellers Worldwide in 2016

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Amazon sellers from more than 130 different countries around the world fulfilled orders to customers in 185 countries using FBA

FBA items shipped worldwide grew more than 50 per cent during the Christmas period

Sellers worldwide received orders for more than 28 million items on Cyber Monday

Luxemburg - January 5, 2017 - (NASDAQ: AMZN) - Amazon today announced that the Fulfillment by Amazon (FBA) service delivered more than 2 billion items for Sellers worldwide in 2016 in what was a record-breaking year for businesses selling on Amazon Marketplace.

FBA enables third party Marketplace sellers, many of which are small businesses, to scale their business by handing over the heavy lifting of warehousing, payment processing, delivery returns and customer service to Amazon. FBA also help sellers to grow their business by making their products eligible for Amazon Prime, meaning they will have access to millions of Amazon's most loyal customers.

"2016 was another record-breaking year in sales for sellers across the world on Amazon Marketplace," said Francois Saugier, VP, EU Seller Services. "One of the biggest innovations for small businesses selling on Amazon Marketplace has been FBA, whereby we store, pick, pack and deliver items to customers on behalf of smaller businesses to help them scale, increase sales and create jobs."

"Independent research shows that 74,000 people are employed by UK sellers as a result of their business selling on Amazon Marketplace," said Simon Johnson, Director of Seller Services UK. "It is great to see UK businesses going from strength to strength, and our role is to continue to support their growth and success."

2016 Selling on Amazon Milestones:

Marketplace and FBA

- FBA delivered more than 2 billion items to customers worldwide.
- Active sellers worldwide using the FBA service grew more than 70 percent.
- Outside the U.S., FBA units shipped grew more than 80 percent.
- Using the FBA service, Amazon sellers from more than 130 different countries around the world fulfilled orders to customers in 185 countries.

Christmas period

- Sellers worldwide received orders for more than 28 million items on Cyber Monday.
- FBA items shipped worldwide grew more than 50 percent year-over-year during the holiday season.

Sponsored Products

- Sponsored Products clicks worldwide grew by more than 150 percent driven by expansion of advertising placements on desktop and mobile sites.
- The number of sellers worldwide using Sponsored Products grew more than 100 percent.
- Sponsored Products introduced a new and convenient payment method, Unified Billing, which allows Sellers to deduct their advertising spend from sales proceeds.

Category Growth

- Amazon Business (<u>www.amazon.co.uk/business</u>) generated more than \$1 billion in sales in its first year, with sellers
 receiving over half of the orders. Amazon Business now serves more than 400,000 business customers in the U.S., and
 includes more than 45,000 sellers with access to the business-specific selling tools. Amazon Business launched in
 Germany, marking its first international expansion.
- Handmade at Amazon (<u>www.amazon.co.uk/handmade</u>) launched in Germany, France, Italy, Spain and the United Kingdom, expanding its selection of handcrafted artisan-made goods to customers in the EU. In the U.S., the Handmade at Amazon store added six new categories (Accessories, Baby, Toys and Games, Beauty & Grooming, Pet Supplies) and now offers over 500,000 items sold directly by artisans across all 50 states from 80 countries around the world.
- Amazon Launchpad (<u>www.amazon.co.uk/lanunchpad</u>) has worked with capital firms, startup accelerators, and crowd-

funding platforms to help more than 1,000 startups launch new products in the U.S., U.K., China, Germany, and France. New startups are joining the Amazon Launchpad program every day to use FBA infrastructure to launch their business, create awareness and drive sales in Europe.

Business Highlights

- Amazon introduced the Pan-European FBA program allowing sellers to build their international business by selling across all Amazon European marketplaces while shipping inventory to just one destination.
- Sellers on Amazon worldwide used capital from Amazon Lending loans to grow sales by an estimated \$4 billion. The Amazon Lending program offers business loans to invited sellers on Amazon to help them grow their businesses.

Businesses interested in Selling on Amazon, FBA and Sponsored Products can visit us for more details at http://services.amazon.com.uk/de/fr/es/it.

About Amazon

Amazon is guided by four principles: customer obsession rather than competitor focus, passion for invention, commitment to operational excellence, and long-term thinking. Customer reviews, 1-Click shopping, personalized recommendations, Prime, Fulfillment by Amazon, AWS, Kindle Direct Publishing, Kindle, Fire tablets, Fire TV, Amazon Echo, and Alexa are some of the products and services pioneered by Amazon. For more information, visit www.amazon.co.uk/de/fr/es/it/about.