



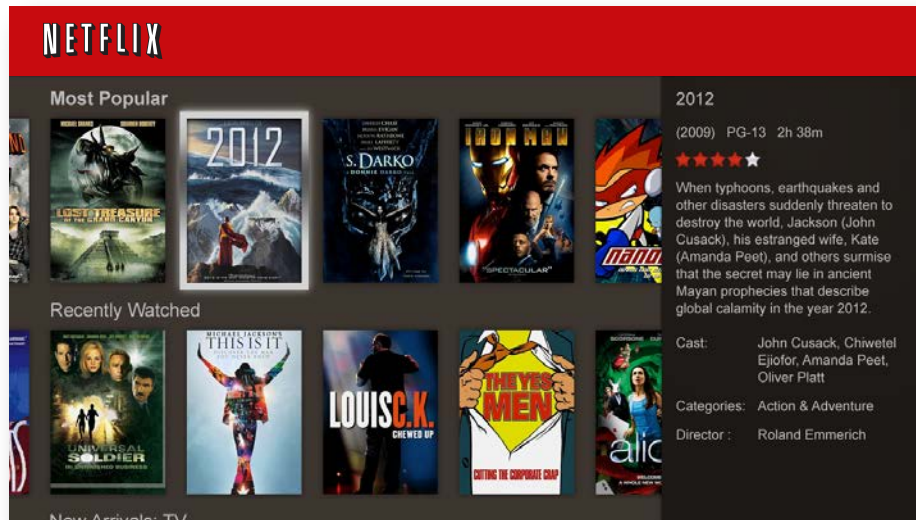
## Netflix has revolutionized the way people watch movies. Again.

With more than 25 million members in the United States and Canada, Netflix, Inc. (Nasdaq: NFLX) is the world's leading Internet subscription service for enjoying movies and TV shows. For \$7.99 a month, Netflix members can instantly watch unlimited movies and TV episodes streaming over the Internet to PCs, Macs and TVs.

In December 2010, the American Customer Satisfaction Index (ACSI) named Netflix the number one ecommerce company for customer satisfaction. Netflix has been named the number one retail Website for customer satisfaction in 11 out of 12 surveys since 2005 by ForeSee Results. In February 2010, the American Customer Satisfaction Index (ACSI) named Netflix the number one ecommerce company for customer satisfaction.

In December 2007, Netflix was ranked the number one online retailer by Nielsen Online. In January 2007, Netflix was named the Retail Innovator of the Year by the National Retail Federation. In the fall of 2005, Fast Company magazine named Netflix the winner of its annual Customers First Award. In December 2008, Time Magazine named the Roku Netflix ready device one of the top ten gadgets of the year.

Netflix has revolutionized the way people rent movies - by bringing the movies directly to them. With today's busy lifestyles and consumers demanding more value and control, it's no wonder that Netflix has become the preferred online provider of the home entertainment experience.

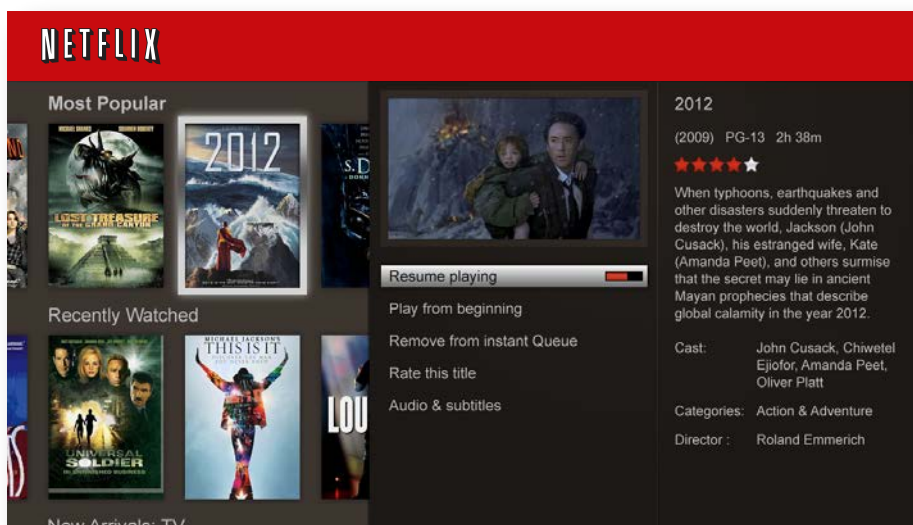


## Unlimited TV episodes & movies streaming instantly on your TV

- Instantly watch right on your TV via devices streaming from Netflix.
- Choose from a growing library of movies & TV episodes.

## Suggestions

Movies recommended to members based on previous ratings they made and the ratings of others who have similar tastes in movies.

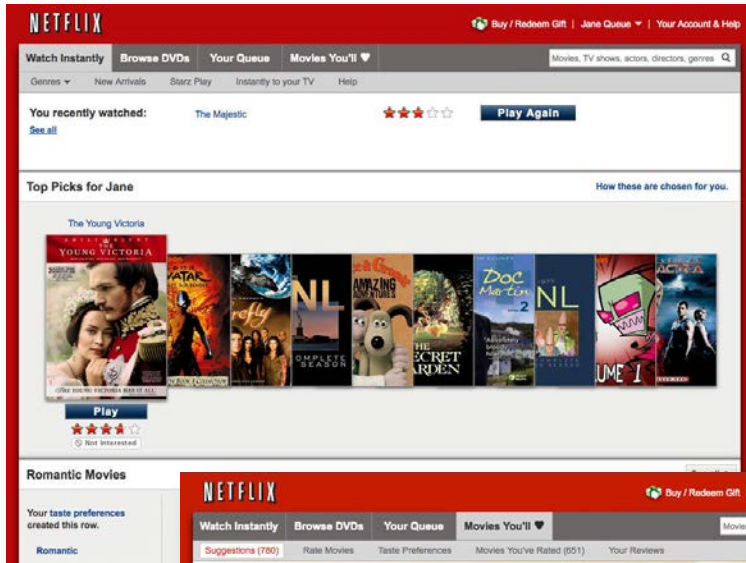


## Instant Queue: (U.S. only)

The list of TV episodes & movies that members can watch instantly on their computer or TV via devices streaming from Netflix.

## Browse

Members use the browse feature to search for movies by genre, new releases, top 100 or critics' picks.

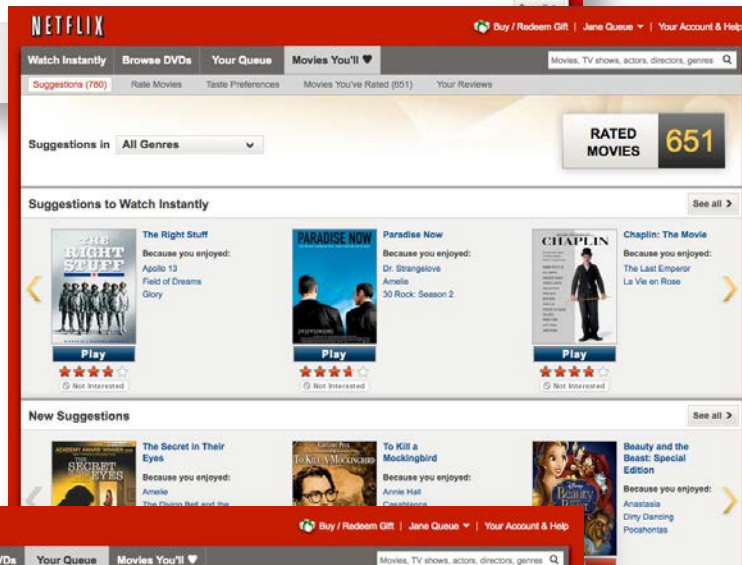


## Unlimited TV episodes & movies streaming instantly over the Internet

- Instantly watch online on your PC or Mac.
- Choose from a growing library of movies & TV episodes.

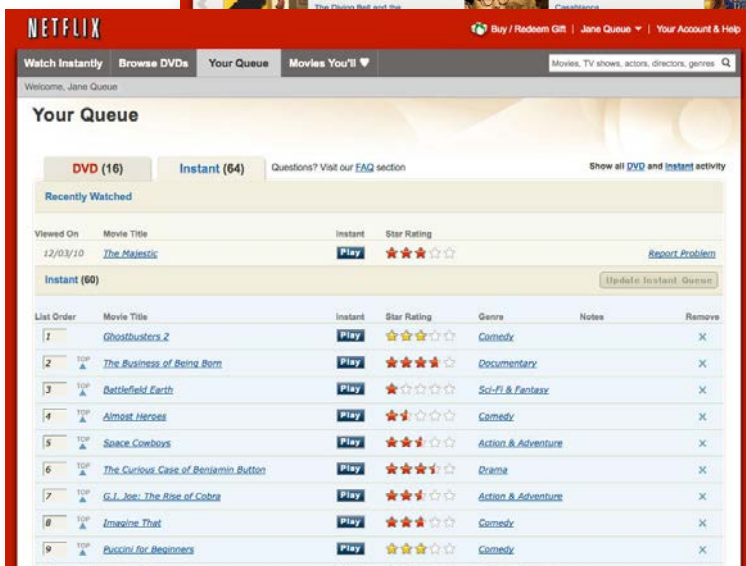
## Suggestions

Movies recommended to members based on previous ratings they made and the ratings of others who have similar tastes in movies.



## Browse

Members use the browse feature to search for movies by genre, new releases, top 100 or critics' picks.



## Instant Queue: (U.S. only)

The list of TV episodes & movies that members can watch instantly on their computer or TV via devices streaming from Netflix.

## Queue

The list of TV episodes & movies that U.S. members select to receive on DVD.





### Movie Choosing

Netflix members say they watch twice as many movies per month than they did prior to joining the service. Combined, Netflix members add 2 million movies to their Queues every day.



### Ratings

Netflix has more than 5 billion movie ratings from members. The average member has rated more than 200 movies. Netflix members rate about four million movies a day.

**Add**

### Recommendations

Approximately 60% of Netflix members select their movies based on movie recommendations tailored to their individual tastes.



### Customer Satisfaction

More than 90% of Netflix members say they are so satisfied with the Netflix service that they recommend the service to family and friends. More than 70% of new Netflix members say they joined the service partly due to being evangelized by a Netflix member.

Source: Netflix 2011



## Company Profile

With more than 23 million members in the United States and Canada, Netflix, Inc. (Nasdaq: NFLX) is the world's leading Internet subscription service for enjoying movies and TV shows. For \$7.99 a month, Netflix members can instantly watch unlimited movies and TV episodes streaming over the Internet to PCs, Macs and TVs.

## Service Profile

Among the large and expanding base of devices streaming from Netflix are Microsoft's Xbox 360, Nintendo's Wii and Sony's PS3 consoles; an array of Blu-ray disc players, Internet-connected TVs, home theater systems, digital video recorders and Internet video players; Apple's iPhone, iPad and iPod touch, as well as Apple TV and Google TV. In all, more than 200 devices that stream from Netflix are available in the U.S. and a growing number are available in Canada.

## Corporate Headquarters

100 Winchester Circle, Los Gatos, CA 95032  
(408) 540-3700 [www.netflix.com](http://www.netflix.com)

## Senior Management Team

- Reed Hastings, Co-founder & Chief Executive Officer
- Neil Hunt, Chief Product Officer
- David Hyman, General Counsel
- Leslie Kilgore, Chief Marketing Officer
- David Wells, Chief Financial Officer
- Patty McCord, Chief Talent Officer
- Andrew Rendich, Chief Service & DVD Operations Officer
- Ted Sarandos, Chief Content Officer

## Board of Directors

- Richard N. Barton - CEO & Chairman, Zillow, Inc.
- A. George "Skip" Battle - Investor
- Charles Giancarlo - Managing Director, Silver Lake
- Tim Haley - Managing Director, Redpoint Ventures
- Reed Hastings - Netflix, Inc.
- Jay Hoag - General Partner, Technology Crossover Ventures
- Ann Mather, Former EVP/CFO, Pixar; Former SVP, Disney

## Employees

More than 2000 at corporate headquarters and shipping centers.

## Subscribers

25 million at the end of June 2011.

## Unlimited Plans

### Unlimited Streaming for \$7.99 (No DVDs)

### Unlimited DVDs (No Streaming)

- 1 DVD out at-a-time for \$7.99
- 2 DVDs out at-a-time for \$11.99
- 3 DVDs out at-a-time for \$15.99
- 4 DVDs out at-a-time for \$21.99
- 5 DVDs out at-a-time for \$27.99
- 6 DVDs out at-a-time for \$32.99
- 7 DVDs out at-a-time for \$37.99
- 8 DVDs out at-a-time for \$43.99

### Unlimited Streaming + DVDs

- +1 DVD out at-a-time for \$15.98
- +2 DVDs out at-a-time for \$19.98
- +3 DVDs out at-a-time for \$23.98
- +4 DVDs out at-a-time for \$29.98
- +5 DVDs out at-a-time for \$35.98
- +6 DVDs out at-a-time for \$40.98
- +7 DVDs out at-a-time for \$45.98
- +8 DVDs out at-a-time for \$51.98

## Limited Plans

- **1 DVD out at-a-time for \$4.99**  
(Limit 2 rentals a month)
- **Watch Instantly**  
(Up to 2 hours a month) on your PC or Mac.  
A Netflix ready device cannot be used with this plan.  
Starz Play and live Starz Play TV channel are not available.

## Canada Pricing

Unlimited streaming for \$7.99

## **A brief history of the company that revolutionized TV show and movie watching – Twice**

**THE INSPIRATION** – Hit with a \$40 late fee on a video rental, software executive Reed Hastings thinks, “There has to be a better way.”

**1997** – Hastings and fellow software executive Marc Randolph co-found Netflix to offer online movie rentals. Hastings becomes chairman, Randolph is CEO.

**APRIL 1998** – Netflix starts operations in Scotts Valley, California, offering seven-day rentals of movies on the then-relatively unknown DVD format.

**SEPTEMBER 1998** – Netflix catalogue surpasses 2,000 titles on DVD.

**SEPTEMBER 1998** – Hastings is named Netflix CEO.

**NOVEMBER 1998** – Patty McCord joins Netflix as chief talent officer.

**JANUARY 1999** – Neil Hunt joins Netflix as chief product officer.

**MARCH 1999** – Netflix relocates to Los Gatos, California, where it continues to be headquartered.

**JULY 1999** – Barry McCarthy joins Netflix as chief financial officer.

**DECEMBER 1999** – Netflix launches the subscription service that Hastings had envisioned from the start, offering unlimited DVD rentals for one low monthly subscription.

**JANUARY 2000** – Netflix launches the personalized movie recommendation system that uses Netflix members’ ratings to accurately predict choices for all Netflix members. In less than a decade the movie recommendation system will amass three billion movie ratings and be the subject of the world-renown Netflix Prize.

**MARCH 2000** – Leslie Kilgore and Ted Sarandos join Netflix as chief marketing officer and chief content officer, respectively.

**JUNE 2001** – Netflix is the first online movie rental company to enter into unique revenue sharing agreements with major studios. Dreamworks SKG, Twentieth Century Fox and Universal Studios are the first studios to agree to revenue sharing.

**MAY 22, 2002** – Netflix makes its initial public offering (IPO) of 5,500,000 shares at \$15.00 per share on Nasdaq under the ticker “NFLX.” Total Netflix subscribers at the time: 600,000.

**DECEMBER 2002** – Netflix ends the year with 857,000 subscribers, up 88 percent from 2001.

**DECEMBER 2003** – Netflix ends the year with 1,487,000 subscribers, up 74 percent from 2002.

**DECEMBER 2004** – Netflix ends the year with 2,610,000 total subscribers, up 76 percent from 2003.

**DECEMBER 2005** – Netflix ends the year with 4.2 million subscribers, up 60 percent from 2004.

**OCTOBER 2006** – Netflix launches the Netflix Prize, promising \$1 million to the first person or team who can achieve certain accuracy goals in recommending movies based on personal preferences. The company releases 100 million anonymous movie ratings ranging from one to five stars, the largest such data set ever released.

**DECEMBER 2006** – Netflix ends the year with 6.3 million subscribers, up 51 percent over 2005.

**JANUARY 2007** – Netflix introduces a new feature that allows people to instantly watch television shows and movies on their personal computers. David Pogue of The New York Times heralds it as “deliciously immediate, incredibly economical and...impressively convention-shattering.”

**FEBRUARY 2007** – Andrew Rendich, who joined Netflix in 1998, is named to head Netflix Operations.

**FEBRUARY 2007** – Netflix ships its one billionth DVD, a copy of “Babel,” to a member in Helotes, Texas.

**DECEMBER 2007** – In a year in which Netflix faces its stiffest competition, the company ends the year with 7.5 million subscribers, up 18 percent over 2006.

**JANUARY 2008** – Netflix offers unlimited streaming on the PC to all members on unlimited subscriptions, ending the “metered” approach initiated a year earlier; at the Consumer Electronics Show, Netflix and LG Electronics announce plans for the first set-top box that will instantly stream movies and TV shows from Netflix. The device, a Blu-ray disc player, ships later in the year.

**MAY 2008** – Netflix teams with streaming media innovator Roku, Inc. to announce the Roku Player that instantly streams movies and TV shows from Netflix to the TV. The device later is named one of Time magazine’s top ten gadgets of 2008, and Wired magazine’s top 10 innovations of the year.

**JULY 2008** – Netflix and Microsoft announce partnership to instantly stream movies and TV shows to the TV via Xbox LIVE.

**OCTOBER 2008** – Netflix “Popcorn Bowl” breaks Guinness World Record® for movie watching with winners staying awake to watch 57 movies in 123 hours.

**OCTOBER 2008** – Samsung and TiVo partner with Netflix to include instant streaming functionality their devices; streaming also now available on Apple Macintosh computers as well as PCs.

**DECEMBER 2008** – Netflix ends year with 9.4 million subscribers, up 26 percent over 2007.

**JANUARY 2009** – VIZIO partners with Netflix to instantly stream movies and TV shows from Netflix on new Internet TVs.

**FEBRUARY 2009** – Netflix surpasses 10 million members.

**APRIL 2009** – Netflix delivers its two billionth movie, a Blu-ray copy of “Nick and Nora’s Infinite Playlist,” to a member in Birmingham, Ala.

**JULY 2009** – Sony partners with Netflix to instantly stream movies and TV shows from Netflix on Sony devices.

**SEPTEMBER 2009** – Netflix awards the \$1 million Netflix Prize to the “BellKor’s Pragmatic Chaos” team of seven researchers from four countries; over three years the contest has attracted more than 40,000 teams from 186 countries.

**OCTOBER 2009** – Best Buy and Sony Computer Entertainment of America partner with Netflix to instantly stream movies and TV shows from Netflix on Insignia brand devices and the Sony PS3, respectively.

**DECEMBER 2009** – Netflix ends the year with 12.3 million members, up 31 percent over 2008.

**JANUARY 2010** – Funai, which distributes the Philips, Magnavox, Sylvania and Emerson brands in the U.S., and Panasonic, Sanyo, Sharp and Toshiba, partner with Netflix to instantly stream movies and TV shows from Netflix on their devices.

**APRIL 2010** – Netflix is available on Apple’s new iPad; for the first two weeks, the Netflix iPad app is the #1 third party app downloaded for the iPad.

**APRIL 2010** – Netflix members can now instantly watch movies and TV shows on the Nintendo Wii.

**JUNE 2010** – Netflix surpasses 15 million members.

**JULY 2010** – Netflix announces it will launch a streaming-only service in Canada in the fall.

**AUGUST 2010** – Netflix now available on the Apple iPhone and iPod touch.

**SEPTEMBER 2010** – Netflix offers a streaming-only service for Canadians who can instantly watch movies and TV shows for a monthly subscription of \$7.99.

**NOVEMBER 2010** – Netflix CEO Reed Hastings is named Fortune magazine’s “Business Person of the Year.” Oprah Winfrey selects Netflix as one of “Oprah’s Favorite Things.” Netflix launches a pure streaming plan in the U.S. at \$7.99 per month for unlimited TV shows and movies streaming from Netflix over the Internet to hundreds of Netflix ready devices.

**DECEMBER 2010** – Veteran Netflix Finance VP David Wells is promoted to CFO.

**DECEMBER 2010** – Netflix ends year with 20 million subscribers, up 63 percent from 2009.

**MARCH 2011** – Netflix named one of Fortune magazine’s “50 Most Admired Companies.”