



For Immediate Release
September 30, 2004

NETFLIX AND TIVO ANNOUNCE A JOINT DEVELOPMENT AGREEMENT

LOS GATOS, Calif. -- Netflix and TiVo have signed an agreement to work together to develop a joint entertainment offering. Under the terms of the agreement, the two companies will develop technology and will work with Hollywood studios to secure content for digital distribution.

As a result of the new agreement and in an effort to avoid any potential conflicts of interest that might develop, Mike Ramsay, chief executive officer of TiVo, submitted his resignation from the Netflix Board of Directors, effective September 29, 2004.

About Netflix

Netflix (Nasdaq: NFLX) is the world's largest online movie rental service, providing more than two million subscribers access to over 25,000 DVD titles. For \$21.99 a month, Netflix subscribers rent as many DVDs as they want, and keep them as long as they want, with three movies out at a time. There are no due dates, no late fees and no shipping fees. DVDs are delivered for free by first-class mail from regional shipping centers located throughout the United States. Netflix can reach more than 85 percent of its subscribers with generally one business-day delivery. The company provides subscribers extensive information about DVD movies, including critic reviews, member reviews, online trailers, ratings, and personalized movie recommendations. For more information, visit www.netflix.com.

About TiVo Inc.

Founded in 1997, TiVo (NASDAQ: TIVO), a pioneer in home entertainment, created a brand new category of products with the development of the first digital video recorder (DVR). Today, the Company continues to revolutionize the way consumers watch and access home entertainment by making TiVo the focal point of the digital living room, a center for sharing and experiencing television, music, photos and other content. TiVo connects consumers to the digital entertainment they want, where and when they want it. The Company is based in Alviso, Calif.

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Forward-Looking Statements

This press release contains certain forward-looking statements within the meaning of the federal securities laws, including statements regarding the development of technology and obtaining of content rights for digital distribution. These statements are subject to risks and uncertainties that could cause actual results and events to differ, including, without limitation; the risk that the development of the technology may not meet technical requirements, consumer expectations, or otherwise be implemented by the parties; or that studios will not grant either of the parties digital delivery rights or otherwise impose limitations on such rights that might impede implementation.. A detailed discussion of these and other risks and uncertainties that could cause actual results and events to differ materially from such forward-looking statements is included in our Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 27, 2004. We undertake no obligation to update forward-looking statements to reflect events or circumstances occurring after the date of this press release.

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