



FOR IMMEDIATE RELEASE
Thursday, April 1, 2004

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**NETFLIX ANNOUNCES FIRST QUARTER 2004
ENDING SUBSCRIBERS OF 1,932,000, UP 84 PERCENT OVER THE PRIOR
YEAR**

LOS GATOS, CA — April 1, 2004 — Netflix, Inc. (Nasdaq: NFLX) ended the first quarter of 2004 with approximately 1,932,000 total subscribers. Subscribers grew 84 percent year-over-year from 1,052,000 total subscribers at the end of the first quarter of 2003 and 30 percent sequentially from 1,487,000 total subscribers at the end of the fourth quarter of 2003. Television advertising and online acquisition sources together with low churn across the subscriber base contributed to this strong performance.

Paid Subscribers

Of the 1,932,000 total subscribers at quarter end, 95 percent or 1,842,000 were paying subscribers. The other 5 percent, or 90,000 subscribers, were new trial subscribers. Paying subscribers represented 96 percent of total subscribers at the end of the first quarter of 2003 and 95 percent of total subscribers at the end of the fourth quarter of 2003.

Household Penetration

Household penetration in the San Francisco Bay Area rose to 7.2 percent of households at the end of the first quarter of 2004, up from 4.6 percent at the end of the first quarter of 2003 and up from 5.9 percent at the end of the fourth quarter of 2003. Household penetration in the rest of the country reached 1.7 percent at the end of the first quarter of 2004, up from 0.90 percent at the end of the first quarter of 2003 and up from 1.3 percent at the end of the fourth quarter of 2003.

First Quarter Earnings Release

Netflix will release its first quarter 2004 financial results on Thursday, April 15, 2004 after the market close. A web cast of the quarterly conference call will begin at 2 PM PDT and can be accessed via the web at <http://ir.netflix.com>.

About Netflix

Netflix (Nasdaq: NFLX) is the world's largest online movie rental service, providing more than one million subscribers access to over 18,000 DVD titles. For \$19.95 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 80 percent of its subscribers with generally next-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.