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IR CONTACT:
Deborah Crawford
Director, Investor Relations
408 540-3712

PR CONTACTS:
Steve Swasey
Director, Corporate Communications
408 540-3947

NETFLIX NAMES FORMER POSTMASTER GENERAL AS CHIEF OPERATIONS OFFICER

Bill Henderson Succeeds Retiring Tom Dillon

LOS GATOS, Calif., January 18, 2006 – Netflix, Inc. (Nasdaq: NFLX) today announced the appointment of former U.S. Postmaster General William J. Henderson as chief operations officer of the world's largest online DVD rental service. He assumes his new role on January 23 and succeeds Tom Dillon, who is scheduled to retire in April.

Mr. Henderson, 58, was chief operating officer of the United States Postal Service (USPS) from 1994-98 and postmaster general and USPS chief executive officer from 1998 until his retirement in 2001. He was the 71st postmaster general of the United States and the fifth career employee to lead the world's largest postal system, which processes, transports, and delivers more than 650 million pieces of mail to more than 130 million addresses every day.

As postmaster general, Mr. Henderson's achievements included dramatic improvements in customer service. He led the USPS to record service delivery for first-class mail, as independently measured by PricewaterhouseCoopers, and the organization's increased use of automation contributed significantly to five consecutive years of operating surpluses during his tenure.

In his new role at Netflix, Mr. Henderson will be responsible for managing and evolving the technology, automation and distribution operations that underpin the company's rental business. He will report directly to Netflix Chairman and CEO Reed Hastings.

“Bill Henderson is about the only person on the planet who looks at our volume of mail as a trickle,” said Mr. Hastings. Netflix ships over one million DVDs a day from 37 distribution centers across the U.S.

“Bill is the perfect person to ensure that our operations are inextricably linked with every aspect of the business and that our service levels are a linchpin of the Netflix customer experience,” Mr. Hastings added. “We’ll look for him to extend our current competitive advantages in this area, particularly as our mail volume increases with our forecasted growth to at least 5.65 million subscribers this year and 20 million by 2010-2012.”

Mr. Henderson began his postal career after graduating in 1972 from the University of North Carolina at Chapel Hill with a B.S. in industrial relations and having previously served in the U.S. Army. In addition to service in Washington, D.C., he held postal management positions in Chicago; Greensboro, N.C.; Memphis; and Stockton, Calif., gaining experience in labor relations, human resources and line management.

Mr. Henderson serves on the boards of comScore Networks, Inc. and Acxiom Corporation.

Mr. Dillon, 61, has led Netflix’s operations since shortly after the company launched its online DVD subscription business in 1999. During his tenure, the company’s shipping volume has grown from 3,000 discs per day to over one million, with generally one business-day delivery to more than 90 percent of Netflix’s subscriber households.

Of Mr. Dillon’s pending retirement, Mr. Hastings said: “I know I speak for the entire company in wishing Tom the very best as he moves into the next phase of his life. To say that he contributed mightily to our success does not do justice to the impact Tom had on us professionally and personally. We’re all indebted to him.”

About Netflix

Netflix (Nasdaq: NFLX) is the world's largest online movie rental service, providing more than three million subscribers access to over 55,000 DVD titles. Under the company’s most popular program, for \$17.99 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 the USPS from regional shipping centers located throughout the United States. Netflix can reach more than 90 percent of its subscribers with generally one business-day delivery. Netflix offers personalized movie recommendations to its members and has more than 1 billion movie ratings. Netflix also allows members to share and recommend movies to one another through its Friends™ feature. For more information, visit www.netflix.com.