



FOR IMMEDIATE RELEASE
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Netflix Updates First Quarter and Full Year 2008 Guidance

LOS GATOS, Calif., February 27, 2008 – Netflix Inc. (Nasdaq: NFLX) today announced revised guidance for the first quarter ending March 31, 2008 and full year 2008.

Revised First Quarter-2008 Guidance:

- Ending subscribers of 8.16 million to 8.26 million, up from 7.85 million to 8.05 million
- Revenue of \$324 million to \$328 million, from \$323 million to \$328 million
- GAAP Net Income of \$10 million to \$14 million, from \$9 million to \$14 million
- GAAP EPS of \$0.15 to \$0.22 per diluted share, from \$0.13 to \$0.21 per diluted share

Revised Full Year 2008 Guidance:

- Ending subscribers of 8.9 million to 9.5 million, up from 8.4 million to 8.9 million
- Revenue of \$1.345 billion to \$1.385 billion, up from \$1.3 billion to \$1.35 billion
- GAAP Net Income of \$75 million to \$83 million, unchanged from prior guidance
- GAAP EPS of \$1.18 to \$1.30 per diluted share, up from \$1.12 to \$1.24 per diluted share

Revised guidance for the full year 2008 for GAAP net income and GAAP EPS reflects the impact on interest income and weighted average common shares outstanding of the completion of the \$100 million stock repurchase program announced earlier this year. The company repurchased 3.8 million shares of its common stock at an average price of \$25.96 per share, net of expenses.

About Netflix

Netflix, Inc. (Nasdaq: NFLX) is the world's largest online movie rental service, providing more than seven million subscribers access to more than 90,000 DVD titles plus a growing library of more than 7,000 choices that can be watched instantly on their PCs. The company offers nine subscription plans, starting at only \$4.99 per month. There are no due dates and no late fees – ever. All Netflix plans include both DVDs delivered to subscribers' homes and, for no additional fee, movies and TV series that can be started in as little as 30 seconds on subscribers' PCs. DVDs are delivered free to members by first class mail, with a postage-paid return envelope, from over 100 U.S. shipping points. Nearly 95 percent of Netflix subscribers live in areas that can be reached with generally one business day delivery. Netflix offers personalized movie recommendations and has two billion movie ratings. For more information, visit www.netflix.com.

Forward-Looking Statements

This press release contains certain forward-looking statements within the meaning of the federal securities laws, including statements regarding our subscriber growth, revenue, GAAP net income and earnings per share for the first quarter of 2008 and for the full-year 2008. The forward-looking statements in this release are subject to risks and uncertainties that could cause actual results and events to differ, including, without limitation: our ability to attract new subscribers and retain existing subscribers; impacts arising out of competition; our ability to manage our subscriber acquisition cost as well as the cost of content delivered to our subscribers; changes in pricing; fluctuations in consumer usage of our service; conditions that effect our delivery through the U.S. Postal Service, including regulatory changes and increases in first class postage; increases in the costs of acquiring DVDs or electronic content; customer spending on DVDs and related products; disruption in service on our website or with our computer systems; deterioration of the U.S. economy or conditions specific to online commerce or the filmed entertainment industry; and, widespread consumer adoption of different modes of viewing in-home filmed entertainment. 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 filings with the Securities and Exchange Commission, including our Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 28, 2007. We undertake no obligation to update forward-looking statements to reflect events or circumstances occurring after the date of this press release.