



## 1 Million Consumers Choose Amazon.co.uk

February 15, 2000

### Strong Sales in Books and Music Company Achieves £100 Million Sales Run-Rate

**London: 15 February 2000: 09:00:** Powered by a strong festive season finale to 1999, Amazon.co.uk announced today that its 1999 fourth-quarter sales totalled £26 million\*. This is a year on year growth rate of 430 percent from 1998 quarter four sales of £4.9 million. Based on fourth-quarter sales, Amazon.co.uk has reached a £100 million annualised sales level just over one year after opening its virtual doors.

One million new customers shopped with amazon.co.uk for the first time in 1999 seeking to save time and money and enjoy the power shopping online brings. In the fourth quarter successful new additions to the Amazon.co.uk portfolio were music, Auctions and zShops services. Additionally the company has invested in a new distribution capability at Marston Gate, Milton Keynes and new corporate headquarters in Slough, creating 500 new employment opportunities.

In November and December 1999 Amazon.co.uk shipped 1.5 million units in approximately 900 thousand packages. Peak shipping day in December was 32 thousand shipments with 61,000 books and CDs enclosed.

"We had an outstanding 1999", commented Steve Frazier, managing director, Amazon.co.uk, "and we are very grateful that so many customers chose us. We believe that this is only the beginning for Amazon.co.uk and that we now have a particularly strong platform for the future as we expand our offering".

Just one year from launch across Europe fourth quarter sales from Amazon.co.uk and Amazon.de totalled US\$71 million, up over 360 percent from the fourth quarter of 1998, with a combined annual run rate of more than US\$280 million.

"Our global vision is to build Earth's most customer-centric company and Amazon.co.uk made sure it did the best thing it could for the franchise and ensuring shareholder return - deliver for our customers," commented Joe Galli, president and COO. "In 2000, we expect to achieve even more than in 1999 with our commitment to operational excellence, investment in growth, expansion in products and services, our drive towards profitability in each and every business and our comprehensive approach to customer relationships."

### About Amazon.co.uk

Amazon.co.uk today offers more than 1.5 million books and CDs, hosts online auctions and provides a complete online storefront for individual merchants through its zShops. Amazon.co.uk customers enjoy the benefits of industry-leading online shopping technology, such as secure credit-card payment, personalised recommendations, streamlined, 1-Click. ordering and hassle-free Bid-Click auction bidding.

Amazon.co.uk is the trading name for Amazon.com Int'l Sales, Inc. and Amazon.com International Auctions, Inc., which are both wholly owned subsidiaries of Amazon.com, Inc. (NASDAQ: AMZN), the Internet's No. 1 book, No. 1 music, and No. 1 video retailer, which opened its virtual doors on the World Wide Web in July 1995 and has already provided safe and convenient shopping to more than 16 million customers worldwide.

This announcement contains forward-looking statements that involve risks and uncertainties that include, among others, Amazon.com's limited operating history, anticipated losses, unpredictability of future revenues, potential fluctuations in quarterly operating results, seasonality, consumer trends, competition, risk of distribution centre expansion, risks related to fourth quarter, risks of system interruption, management of potential growth, risks related to auction and zShops services, risks related to fraud and Amazon.com Payments, and risks of new business areas, international expansion, business combinations and strategic alliances. More information about factors that potentially could affect Amazon.com's financial results is included in Amazon.com's filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the year ended December 31, 1998 and Quarterly Reports on Form 10-Q for the quarters ended March 31, 1999, June 30, 1999 and September 30, 1999.