



Amazon.co.uk Crosses Three Million Customers Mark

March 30, 2001

First European online commerce company to reach three million cumulative customers--Customer acquisition accelerates at the fastest ever rate--Shoppers commend the online retailer.

March 30, 2001, London: Amazon.co.uk announced today that it has reached the three million customer landmark*, showing greater acceleration in Amazon.co.uk's customer acquisition rate. It took Amazon.co.uk 15 months to reach its millionth customer, eight months to reach its second million and just six months to reach its third.

To put the figure into perspective, this means that Amazon.co.uk's customer base is now:

- ten times greater than the number of people who attend Premiership matches every weekend
- more than the combined population of Sheffield, Newcastle, Nottingham and Liverpool
- more than the number of people who watched Royal Ascot on TV in June
- more than the total TV audience that watched the Welsh national team beat France in their latest Six Nations Rugby match

Amazon.co.uk and its American counterpart, Amazon.com, are ranked number one and two respectively in Jupiter-MMXI's** latest online retailer league. They have more unique British visitors each month than the next nine most visited online retailers combined.

According to new research, 23 million UK adults use the Internet, which means that nearly one in eight Internet users have made a purchase at Amazon.co.uk***.

Amazon.co.uk is also a significant exporter of UK-originated products, and now has customers in 217 countries worldwide.

Steve Frazier, managing director of Amazon.co.uk said, "We are thrilled to see customers respond to our commitment to offer the fastest, easiest and most enjoyable online shopping experience.

"When you get the customer service right, online retailing works and delivers customers real benefits, which means they come back for more. This is demonstrated by the fact that over 70% of our sales are from repeat customers****.

"Reaching the three million mark proves that more British people are embracing e-commerce and find the Internet an easy and convenient way to shop."**FACTS AND FIGURES**

- Amazon.co.uk and Amazon.com now have more unique at-home visitors than the next nine online retailers combined. MMXI-Jupiter Feb 2001
- more than 99% of Christmas orders from Amazon.co.uk were delivered in time for Christmas Day
- Amazon.co.uk shipped almost 35,000 copies of Comic Relief titles on March 12 and 13 (including Harry Potter and Bridget Jones books), raising over £70,000 for charity
- Amazon.co.uk has over 40,000 Associates
- Amazon.co.uk is now the third largest bookseller in Britain

AWARDS

- February 2001: Best Customer Service and Made to Measure awards in the inaugural Visa E-tails (UK sites only)
- March 2001: Best E-tailer in the Revolution awards
- Autumn 2000: Gomez Music Award

CUSTOMER HABITS

- with new additions to Amazon.co.uk's product offering, customers are also increasingly buying products from a cross section of stores
- orders from repeat customers are over 70%
- over 97% of Amazon.co.uk customers say they are 'satisfied' or 'very satisfied' with the service they receive from the

site*****

- Amazon.co.uk customers are now found in over 200 countries worldwide

RECENT ADDITIONS AT AMAZON.CO.UK

- September 2000: Kids! launches selling books, music, videos, DVDs, software, PC and video games and toys for children aged 0 to 11
- October 2000: Corporate Gift Certificate scheme launches
- October 2000: Launch of wishlists--over 200,000 Amazon.co.uk customers have created their own wishlist allowing them to e-mail friends and family so they can ensure unwanted gifts are a thing of the past.
- November 2000: A special Gift store launched making it easy to find the perfect present for mum, dad, brother or grandma

FACILITIES

- November 2000: new distribution centre opens in Marston Gate, Milton Keynes - the largest e-commerce distribution centre in Europe
- Customer Service, located in Slough, Berkshire, is expanding to service customers of both Amazon.co.uk and Amazon.fr and European customers of Amazon.com
- Amazon.co.uk is continuing to recruit staff on an ongoing basis--apply to jobs@amazon.co.uk

* Cumulative customers are all customers who have completed a transaction on Amazon.co.uk since the Web site was launched two-and-half years ago.

**At-home online shopping activity, Jupiter-MMXI Europe February 2001. Does not include online shopping comparison sites.

***Based on a report by the National Office of Statistics, March 2001

****/*****Amazon.com Internal Data.

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About Amazon.co.uk

Amazon.co.uk opened its virtual doors in October 1998, and strives to be the world's most customer-centric company, where customers can find and discover anything they might want to buy online. Amazon.co.uk and sellers list millions of new and used items in categories such as Books, Music, Video, DVD, Software, PC & Video Games, Electronics & Photo, Home & Garden, and Toys & Games!. Through Amazon Marketplace, zShops and Auctions any business or individual can sell virtually anything to Amazon.co.uk's millions of customers. 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. Through Amazon Anywhere, Amazon.co.uk is also available on mobile phones with WAP technology--see www.amazon.co.uk/anywhere for details.

Amazon.com and its affiliates operate seven websites: www.amazon.com, www.amazon.co.uk, www.amazon.de, www.amazon.fr, www.amazon.co.jp, www.amazon.ca, and www.joyo.com.

As used herein, "Amazon.com," "we," "our" and similar terms include Amazon.com, Inc., and its subsidiaries, unless the context indicates otherwise.

Forward-looking Statement

This announcement contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Actual results may differ significantly from management's expectations. These forward-looking statements involve risks and uncertainties that include, among others, risks related to potential future losses, significant amount of indebtedness, competition, management of growth, potential fluctuations in operating results, fulfillment center optimization, seasonality, commercial agreements, acquisitions, and strategic transactions, foreign exchange rates, system interruption, international expansion, consumer trends, inventory, limited operating history, government regulation and taxation, fraud, and new business areas. 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, 2003, and all subsequent filings.