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Annual Shareholder Meeting May 17, 2005

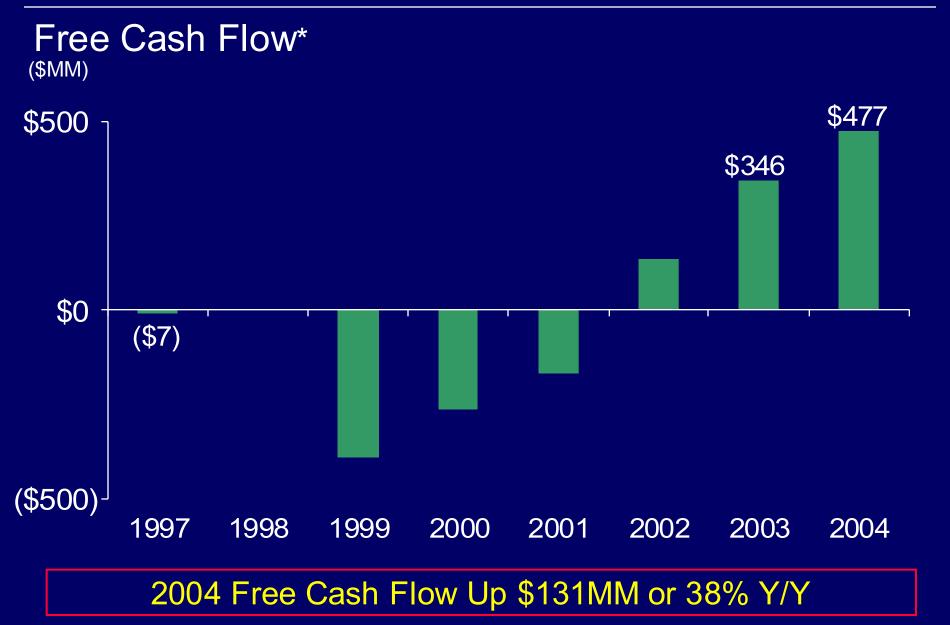
Amazon.com

This presentation may contain forward-looking statements, including statements regarding expectations of sales, gross margin, productivity, leverage, operating results, consolidated segment operating results, capital investment, return on capital, free cash flow and other financial statement or balance sheet items or ratios, all of which are inherently difficult to predict. Actual results could differ materially for a variety of reasons, including, in addition to the factors discussed above, the amount that Amazon.com invests in new business opportunities and the timing of those investments, the mix of products sold to customers, the mix of net sales derived from products as compared with services, competition, management of growth, potential fluctuations in operating results, international growth and expansion, the outcomes of legal proceedings and claims, fulfillment center optimization, risks of inventory management, seasonality, the degree to which the Company enters into, maintains and develops commercial agreements, acquisitions and strategic transactions, and risks of fulfillment throughput and productivity. Other risks and uncertainties include, among others, risk of future losses, significant indebtedness, system interruptions, consumer trends, 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, 2004, and all subsequent filings.

Additional information relating to certain of our financial measures contained herein is available in our most recent press release and at our website at www.amazon.com/ir under 'Financial Documents'.

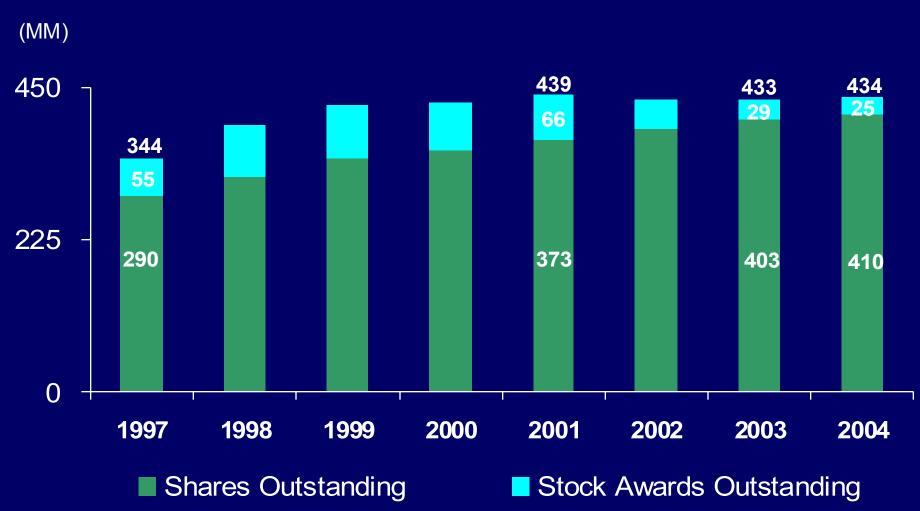
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Highlights 1997 -- 2004



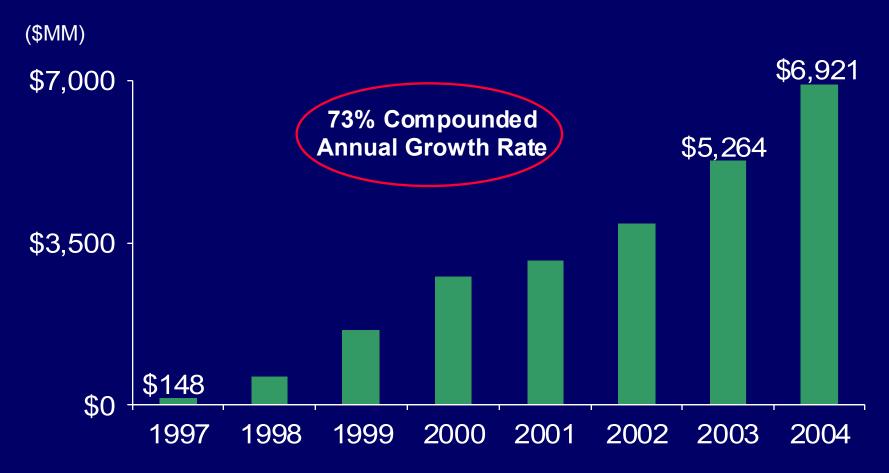
^{*} Operating Cash Flow Less Capital Expenditures, see appendix





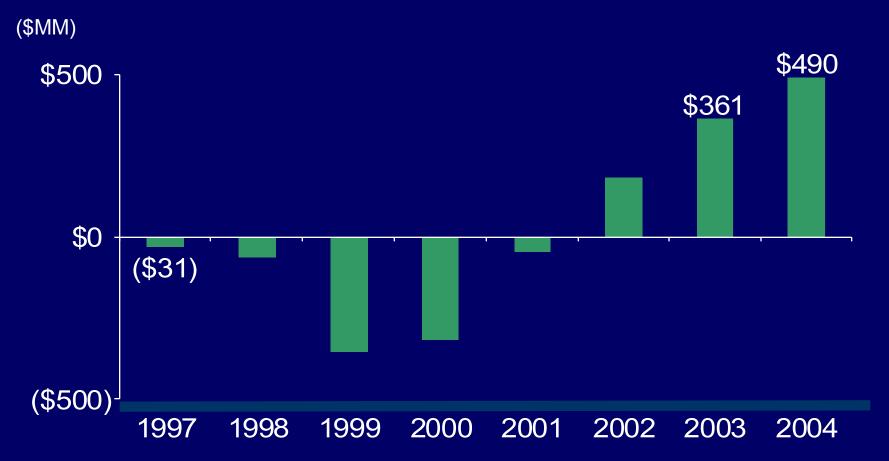
Efficiently Managing Dilution -- 2004 Shares Up <1% Y/Y

Net Sales



2004 Sales Up 31%, 26% Excluding Effect of F/X Y/Y

Consolidated Segment Operating Income (Loss)*



2004 CSOI Up 36% Y/Y

^{*} GAAP Operating income less Stock-based compensation and Other operating expense (income), see appendix

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Q1 05 Highlights

First Quarter Highlights*

(\$MM)	<u>Q1 04</u>	<u>Q1 05</u>	<u>Change</u>
Free Cash Flow TTM	\$ 344	\$ 417	21%
Shares	432	434	<1%
Net Sales	\$1,530	\$ 1,902	24%
Consolidated Segment Operating Income	\$ 117	\$ 128	10%

Fueled by Lower Prices and Free Shipping

amazon.com®

Relentlessly Improving Customer Experience

Our Vision

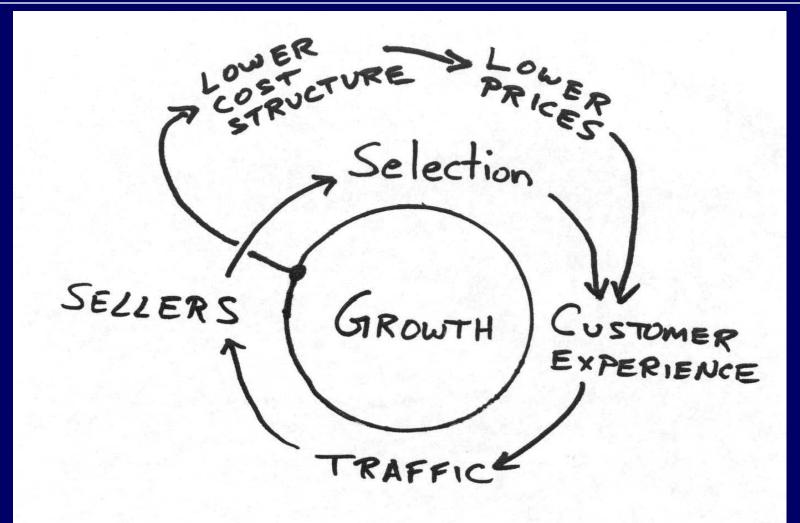
Earth's Biggest Selection

Build a place where people can find and discover anything they may want to buy online

Earth's Most Customer-Centric Company

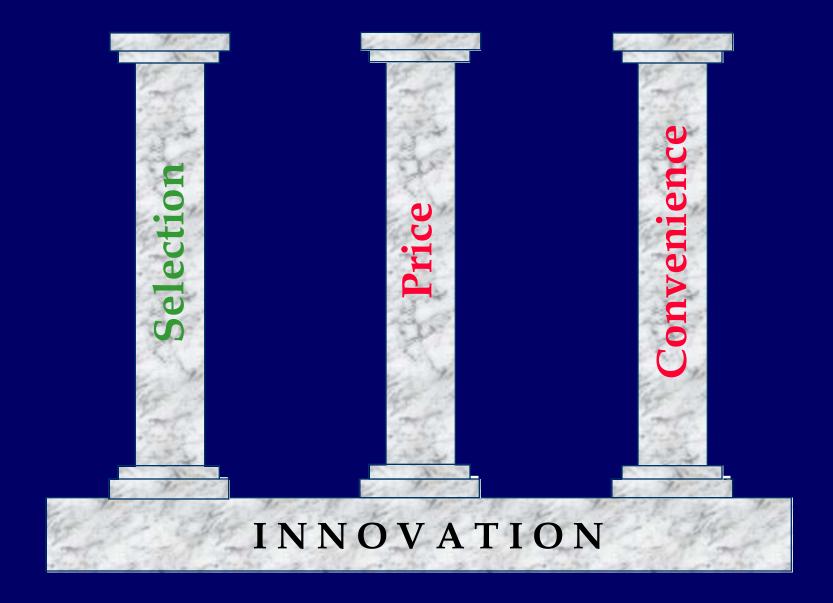
Start with the customer and work backwards

Our Strategy



Source: Jeff Bezos, September 2001

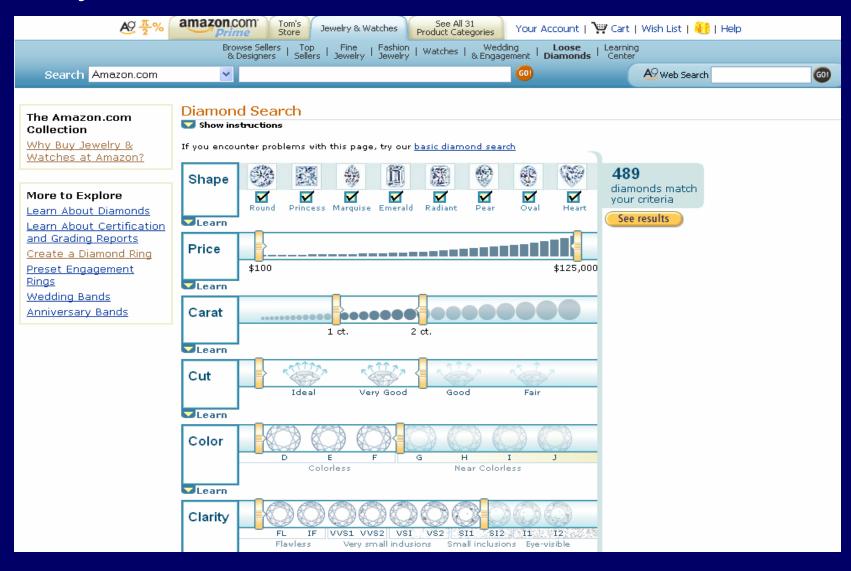
Customer Experience Pillars



Joyo.com -- China



Jewelry -- Loose Diamonds



Musical Instruments



Accordions Acoustic Guitars

Banjos

Bass Guitars

Bassoons

Cellos

Clarinets

Drum Sets & Percussion

Dulcimers

Electric Guitars

Electronic Keyboards

Flutes

French Horns

Guitars

Harmonicas

Harps

Mandolins |

Oboes

Pianos

Recorders

Saxophones

Steel Guitars

String Basses

Tambourines

Trombones

Hot Deals on Instruments and Gear



Find great prices on a wide selection of instruments and gear. Check out these offers on electric guitars, acoustic guitars, bass guitars, microphones, mixers, speakers, recording equipment, and computer audio hardware.

Featured Categories



Keyboard Instruments

- Portable Keyboards
- Digital Pianos
- MIDI Controllers
- Synthesizers & Workstations



Guitars & Basses

- Electric Guitars
- Acoustic Guitars
- Acoustic-Electric Guitars
- Bass Guitars





Sound & Recording

- Mixers, Speakers
- Microphones
- Headphones
- Recording Equipment



Need cash for a new instrument? Sell your old gear and sing all the way to the bank.

Top Sellers in Guitars & Basses



- 1. Roque RA-100D Dreadnought Guitar, Natural.
 - \$59.00
- 2. 38" Blue Guitar with Carrying Bag and Accessories

\$74.99 Sale: \$43.95

3. Roque RA-100D Dreadnought Guitar, Black

\$59.00

All Guitars & Basses



Magazines in Japan



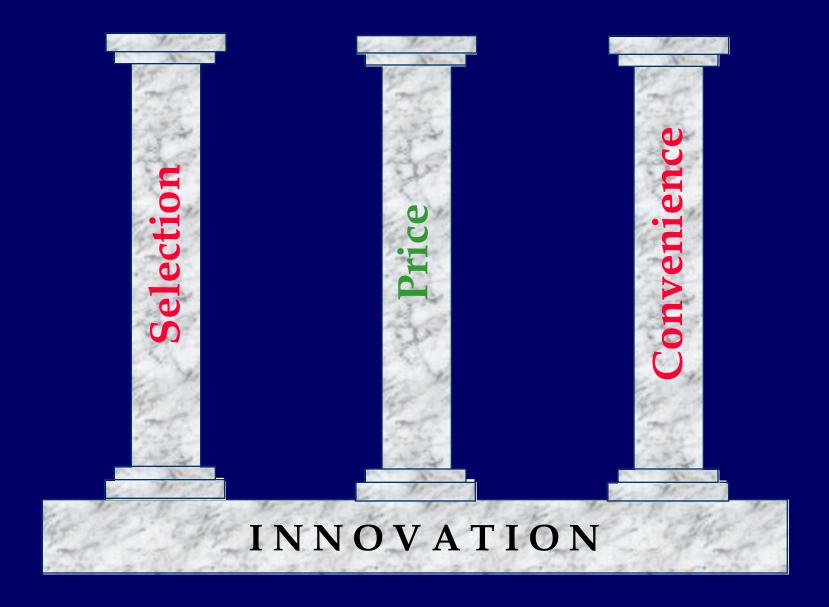
Toys in Japan & Germany



A	mazon.com	Amazon.co.uk	Amazon.de	Am azon.fr	Amazon.co.jp	Am azon.ca	Joyo.com
Books	'95	'98	'98	'00	'00	'02	'04
Music/Video	'98	'99	'99	'00	'01	'02	'04
DVD/Rental*	'98	'99/'04*	'99	'00	'01	'02	'04
Video Games & Softw	are '99	'00	'00	'01	'01	'03	'04
Electronics	'99	'01	'01		'03		
Toys & Baby	'99	'01	'04		'04		
Tools & Hardware	'99	'04	'04				
Kitchen & Houseware	s '00	'04	'04		'03		
Magazines	'01		'02		'04		
Office Products	'02						
Apparel & Accessorie	s '02						
Sports & Outdoors	'03						
Gourmet Food	'03						
Jewelry & Watches	'03						
Health & Personal Ca	re '03						
Beauty	'04						
Musical Instruments	'04						
Third Party Sellers							
Marketplace	'00	'02	'02	'03	'02	'03	
Merchants@	'02						

Expect More Category and Country Expansion Over Time

Customer Experience Pillars



Price

Our Strategy

Dollars Not Percentages

Our Pricing Strategy Does Not Attempt to Maximize Margin *Percentages,* But Instead Seeks to Drive Maximum Value For Customers.

Everyday Low Pricing

Our Objective is Not to Discount a Small Number of Products for a Limited Period of Time, but to Offer Low Prices Everyday and Apply Them Broadly Across Our Entire Product Range.

Price

Free Shipping

U.S. Specification FREE Super Saver Shipping on orders over \$25.

U.K.



JP FREE Shipping 配送料無料1500円以上

FR La <u>livraison gratuite</u> à partir de 20 euros d'achats!

DE



CA







Price

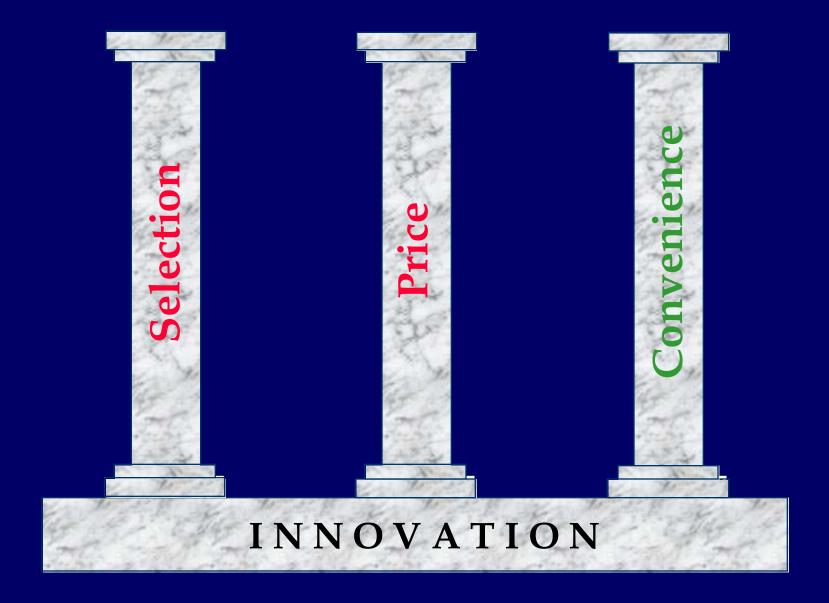
Customer Savings

The Average Customer Discount Increased by 300 Basis Points Each in Books and DVDs and by 40 Basis Points in Electronics on www.amazon.com Year Over Year in Q1 05.

Customers Saved Over \$100M Combined on Free Shipping and Amazon Prime in Q1 05.

Wall Street Gets in a Kerfuffle When we Lower Product Prices and Invest Heavily in the Future. So we Tell Them -- Don't buy our Stock -- Instead buy our Products and Enjoy our Investments. If we Take Care of Customers, the Stock Will Take Care of Itself in the Long Term.

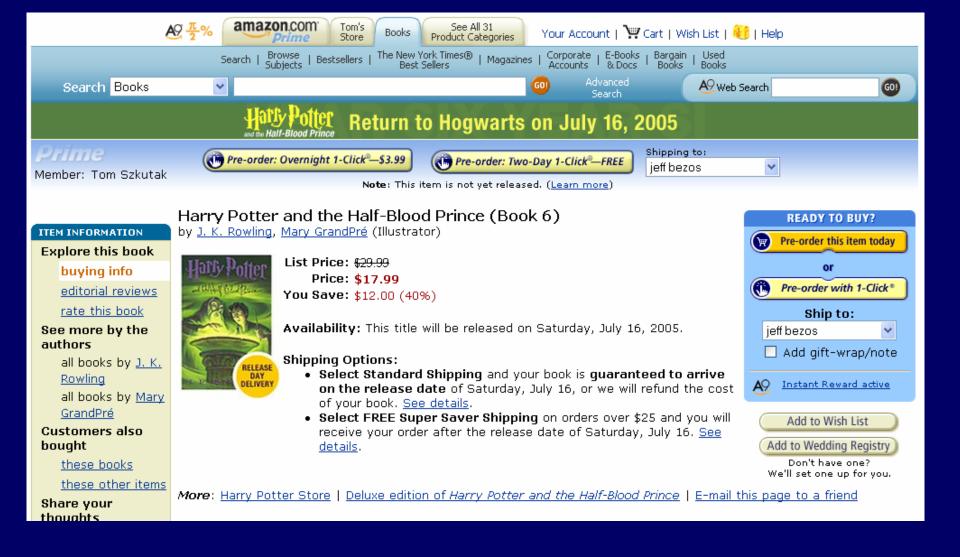
Customer Experience Pillars



DVD Rentals in the U.K.



Pre Orders -- Harry Potter 6



Amazon Prime

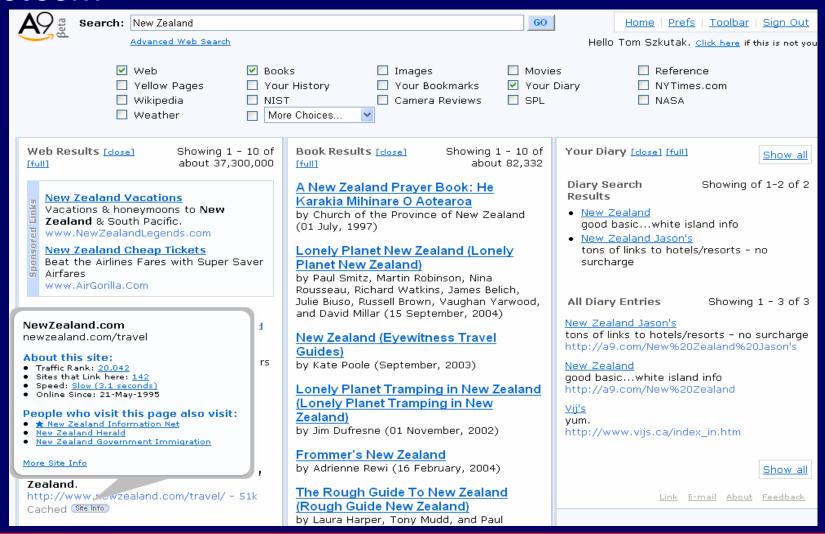


before you joined Amazon Prime. If your previous default shipping option was Standard Shipping, clicking the traditional 1-Click button will ship orders via free Standard Shipping in the continental United States.

Note that you can still add items to your shopping cart and enjoy the benefits of Amazon Prime. Your shipping costs for eligible items will be calculated appropriately during checkout.

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A9.com -- Open Search



US state of Colorado.

Along with Aotearoa,

New Zealand was Niu

of the English name.

Tireni, a transliteration

Other islands have much

another Māori name for

National anthem: God Defend New Zealand

God Save The Queen2

http://www.newzealand.com/travel/ -

The Official Tourism New Zealand

Destination New Zealand, everything

travelling to New Zealand. Official site

site for Destination New Zealand

the visitor needs to know about

of Tourism New Zealand.

A9 Yellow Pages

Explore this business

business info

Share your thoughts

write a review write a So You'd Like to... quide e-mail a friend about this business

Sign in to rate this item

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So You'd Like to...

So You'd Like to... your guide

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Seattle Symphony

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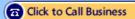








CONTACT THIS BUSINESS



Talk to this business for free.

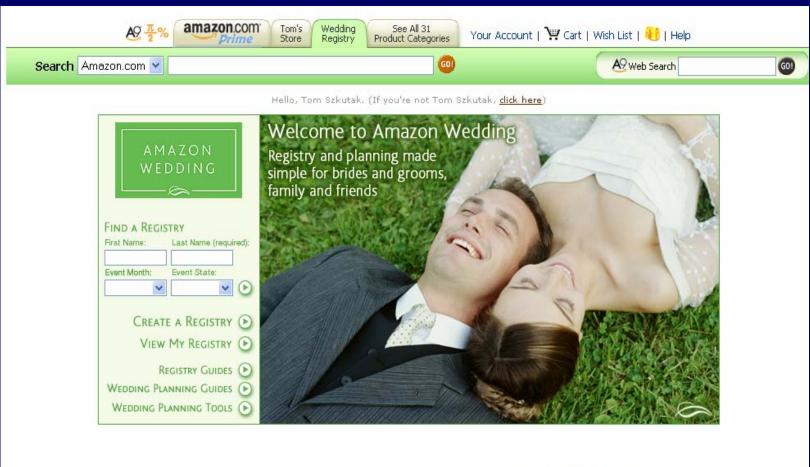
See other businesses along University St.



Interactive Map and Directions



Wedding Registry



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For assistance with the site, visit our Help section.

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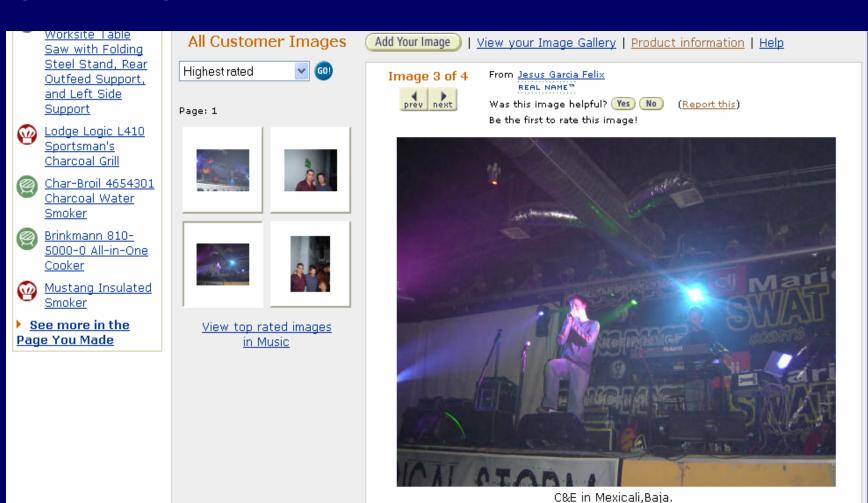


"And in the morning, I'm makin' waffles!" You know, if Donkey had one of these, I'll bet Shrek would have liked him a lot more.

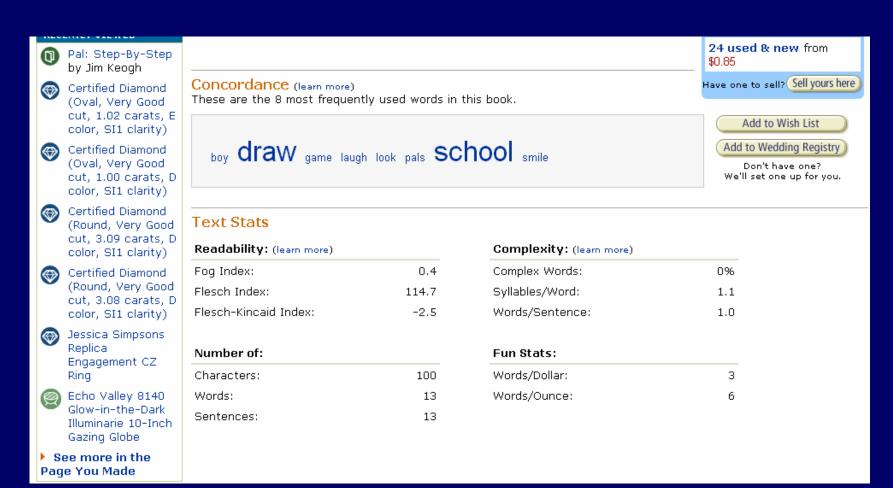
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Text Stats

himself house knew know last left leticia life light live long look love man men mother nation nazareno news night nothing old order ordered own patriarch people place poor power presidential public put room said SaW sea see seen since Sir still take thought three time told took truth two waters went whose window without world years

Readability: (learn more)		Complexity: (learn more)	
Fog Index:	321.7	Complex Words:	
Flesch Index:	-722.5	Syllables/Word:	
Flesch-Kincaid Index:	311.1	Words/Sentence:	
Number of:		Fun Stats:	
Characters:	509,209	Words/Dollar:	
Words:	92,830	Words/Ounce:	
Sentences:	117		

Tribeca Short Film Competition



FOUNDING PARTNER AMERICAN EXPRESS

TRIBECA SCREENING ROOM

Search Amazon.com V

Whitey

Drama

Synopsis (provided by the filmmaker):

Whitey is the story of Cliff who, after having the same old argument with his girlfriend Lynne, takes a late-night walk in his Brooklyn neighborhood. An urban parable based on a true story.

Report this film as inappropriate

<u>How was your experience?</u> <u>Help</u>



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Appendix

Free Cash Flow

Reconciliation -- TTM

(\$MM)

	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	2004	Q1 04	Q1 05
Operating Cash Flow	\$1	\$31	(\$91)	(\$130)	(\$120)	\$174	\$392	\$567	\$393	\$523
Less: Purchase of Fixed Assets	8	28	287	135	50	39	46	89	49	106
Free Cash Flow	(\$7)	\$3	(\$378)	(\$265)	(\$170) ———	\$135	\$346	\$477	\$344	\$417

Consolidated Segment Operating Income

Reconciliation

(\$MM)

	<u>1997</u>	<u>1998</u>	<u>1999</u>	2000	<u>2001</u>	2002	<u>2003</u>	2004	Q104	Q105
Consolidated Segment Operating Income (Loss	_{s)} (\$31)	(\$61)	(\$352)	(\$317)	(\$45)	\$180	\$361	\$490	\$117	\$128
Less:										
Stock-Based Compensation	1	2	31	25	5	69	88	58	7	19
Other Operating Expenses (Income)		46	223	<u>522</u>	363	<u>47</u>	3	(8)	<u>(1)</u>	_1
GAAP Operating Income (Loss)	<u>(\$33)</u>	<u>(\$109)</u>	(\$606)	<u>(\$864)</u>	<u>(\$412)</u>	\$64	\$271	\$440	<u>\$110</u>	\$108