

EXHIBIT 1

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2020

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: 001-35727

Netflix, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

77-0467272

(I.R.S. Employer Identification No.)

100 Winchester Circle, Los Gatos, California 95032

(Address and zip code of principal executive offices)

(408) 540-3700

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common stock, par value \$0.001 per share	NFLX	NASDAQ Global Select Market

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically, every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

As of June 30, 2020 the aggregate market value of voting stock held by non-affiliates of the registrant, based upon the closing sales price for the registrant's common stock, as reported in the NASDAQ Global Select Market System, was \$196,932,116,552. Shares of common stock beneficially owned by each executive officer and director of the registrant and by each person known by the registrant to beneficially own 10% or more of the outstanding common stock have been excluded in that such persons may be deemed to be affiliates. This determination of affiliate status is not necessarily a conclusive determination for any other purpose.

As of December 31, 2020, there were 442,895,261 shares of the registrant's common stock, par value \$0.001, outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Parts of the registrant's Proxy Statement for the registrant's 2021 Annual Meeting of Stockholders are incorporated by reference into Part III of this Annual Report on Form 10-K.

Consolidated Statements of Operations:

	Year ended December 31,									
	2020		2019		2018		2017		2016	
	(in thousands, except per share data)									
Revenues	\$	24,996,056	\$	20,156,447	\$	15,794,341	\$	11,692,713	\$	8,830,669
Operating income		4,585,289		2,604,254		1,605,226		838,679		379,793
Operating margin		18 %		13 %		10 %		7 %		4 %
Net income		2,761,395		1,866,916		1,211,242		558,929		186,678
Earnings per share:										
Basic	\$	6.26	\$	4.26	\$	2.78	\$	1.29	\$	0.44
Diluted	\$	6.08	\$	4.13	\$	2.68	\$	1.25	\$	0.43
Weighted-average common shares outstanding:										
Basic		440,922		437,799		435,374		431,885		428,822
Diluted		454,208		451,765		451,244		446,814		438,652

Consolidated Statements of Cash Flows:

	Year Ended December 31,									
	2020		2019		2018		2017		2016	
	(in thousands)									
Net cash provided by (used in) operating activities	\$	2,427,077	\$	(2,887,322)	\$	(2,680,479)	\$	(1,785,948)	\$	(1,473,984)
Free cash flow (1)		1,921,723		(3,274,386)		(3,019,599)		(2,019,659)		(1,659,755)

- (1) Free cash flow is defined as net cash provided by (used in) operating activities less purchases of property and equipment and change in other assets. See Liquidity and Capital Resources in Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" for a reconciliation of "free cash flow" to "net cash provided by (used in) operating activities."

Consolidated Balance Sheets:

	As of December 31,									
	2020		2019		2018		2017		2016	
	(in thousands)									
Cash, cash equivalents and short-term investments	\$	8,205,550	\$	5,018,437	\$	3,794,483	\$	2,822,795	\$	1,733,782
Total content assets, net		25,383,950		24,504,567		20,102,327		14,668,688		10,975,393
Total assets		39,280,359		33,975,712		25,974,400		19,012,742		13,586,610
Short-term and long-term debt		16,308,973		14,759,260		10,360,058		6,499,432		3,364,311
Non-current content liabilities		2,618,084		3,334,323		3,759,026		3,329,796		2,894,654
Total content liabilities		7,047,620		7,747,884		8,440,588		7,497,520		6,515,920
Total stockholders' equity		11,065,240		7,582,157		5,238,765		3,581,956		2,679,800