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Registration No. 333-65091

PROSPECTUS

2,662,125 SHARES

LOGO
COMMON STOCK

This Prospectus relates to the sale of up to 2,662,125 shares (the "Shares") of common stock, $0.01 par value per share (the "Common Stock"), of Amazon.com, Inc. (the "Company" or "Amazon.com"). The Shares may be offered by certain stockholders of the Company (the "Selling Stockholders") or by their pledgees, donees, distributees or other successors-in-interest, from time to time in transactions (which may include block transactions) in the over-the-counter market through the Nasdaq National Market ("Nasdaq"), or on one or more other securities markets and exchanges, in privately negotiated transactions, or otherwise, at fixed prices that may be changed, at market prices prevailing at the time of sale, at prices relating to such prevailing market prices or at negotiated prices. The Selling Stockholders may effect such transactions by selling the Shares directly to or through broker-dealers, and such broker-dealers may receive compensation in the form of discounts, concessions or commissions from the Selling Stockholders and/or the purchasers of the Shares for whom such broker-dealers may act as agents or to whom they may sell as principals, or both (which compensation as to a particular broker-dealer may be in excess of customary commissions). See "Selling Stockholders" and "Plan of Distribution."

The Company issued the Shares to the Selling Stockholders as a result of certain private placements as follows: (i) on April 24, 1998 in connection with the merger of a wholly owned subsidiary of the Company with and into Telebook, Inc., a Florida corporation (the "Telebook Merger"), (ii) on August 12, 1998 in connection with the merger of a wholly owned subsidiary of the Company with and into Junglee Corp., a Delaware corporation (the "Junglee Merger"), and (iii) on August 27, 1998 in connection with the merger of a wholly owned subsidiary of the Company with and into Sage Enterprises, Inc., a Massachusetts corporation (the "PlanetAll Merger" and together with the Telebook Merger and the Junglee Merger, the "Mergers"). In addition, the Company issued certain of the Shares to the Selling Stockholders on a private placement basis upon the exercise of certain stock options. The Shares issued in connection with the Mergers and to those persons upon exercise of stock options constitute the Shares being registered hereunder. In connection with any sales, the Selling Stockholders and any brokers participating in such sales may be deemed to be "underwriters" within the meaning of the Securities Act of 1933, as amended (the "Securities Act"). See "Selling Stockholders."

None of the proceeds from the sale of the Shares by the Selling Stockholders will be received by the Company. The Company has agreed to bear all expenses (other than broker's commissions and similar charges) in connection with the registration and sale of the Shares being offered by the Selling Stockholders that initially were issued as a result of the Mergers. The Company has agreed to indemnify the Selling Stockholders and any broker-dealers who act in connection with the sale of the Shares hereunder that initially were issued as a result of the Mergers against certain liabilities, including liabilities under the Securities Act.

The Common Stock is quoted on Nasdaq under the symbol "AMZN." On October 23, 1998, the closing sales price for the Common Stock as reported on Nasdaq was $116.125 per share.

THE SHARES OFFERED HEREBY INVOLVES A HIGH DEGREE OF RISK.
SEE "RISK FACTORS" BEGINNING ON PAGE 4.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The date of this Prospectus is October 26, 1998.

AVAILABLE INFORMATION

The Company is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and in accordance therewith files reports, proxy and information statements and other information with the Securities and Exchange Commission (the "Commission"). Such reports, proxy and information statements and other information filed by the Company with the Commission can be inspected and copied (at prescribed rates) at the public reference facilities maintained by the Commission in Washington, D.C. (450 Fifth Street, N.W., Judiciary Plaza, Washington, D.C. 20549) and at the Commission's Regional Offices in New York (7 World Trade Center, 13th Floor, New York, New York 10048) and Chicago (Citicorp Center, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661). The Company is an electronic filer and the Commission maintains a web site that contains reports, proxy and information statements and other information regarding registrants that file electronically with the Commission. The address of the web site is http://www.sec.gov. The Company's reports, proxy and information statements and other information may also be inspected at the offices of the National Association of Securities Dealers, Inc., 1735 K Street, N.W., Washington, D.C. 20006.

This Prospectus is part of a Registration Statement on Form S-3 (together with all amendments and exhibits thereto, the "Registration Statement") filed with the Commission under the Securities Act with respect to the Shares offered hereby. This Prospectus does not contain all the information set forth in the Registration Statement, certain portions of which have been omitted in accordance with the Commission's rules and regulations. For further information with respect to the Company and the Shares offered hereby, reference is made to the Registration Statement and the exhibits thereto. The statements in this Prospectus are qualified in their entirety by reference to the contents of any agreement or other document incorporated herein by reference, a copy of which is filed as an exhibit to either the Registration Statement or other filings by the Company with the Commission.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The Company will provide without charge to each person, including any beneficial owner, to whom a copy of this Prospectus is delivered, upon such person's written or oral request, a copy of any and all of the documents incorporated by reference herein (other than exhibits to such documents, unless such exhibits are specifically incorporated by reference into the information that this Prospectus incorporates). Requests should be directed to Amazon.com, Inc., 1516 Second Avenue, Seattle, Washington 98101, Attention: Investor Relations, telephone: (206) 622-2335.

The following documents filed with the Commission (File No. 000-22513) by the Company are incorporated by reference into this Prospectus:

(a) The Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1997;

(b) The Company's Quarterly Reports on Form 10-Q for the fiscal quarters ended March 31, 1998 and June 30, 1998;

(c) The Company's Current Reports on Form 8-K filed April 27, 1998, April 28, 1998, May 1, 1998, May 6, 1998, August 7, 1998, August 27, 1998, as amended, and September 11, 1998; and

(d) The description of the Company's Common Stock contained in the Registration Statement on Form 8-A filed with the Commission on May 2, 1997, under Section 12(g) of the Exchange Act.

All documents filed with the Commission by the Company pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of this Prospectus and prior to the termination of the offering of the Shares shall be deemed to be incorporated by reference into this Prospectus and to be a part hereof from the respective dates of filing such documents. Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed modified, superseded or replaced for purposes of this Prospectus to the extent that a statement contained herein or in any subsequently filed document that also is or is deemed to be incorporated by reference herein modifies, supersedes or replaces such statement. Any statement so modified, superseded or replaced shall not be deemed, except as so modified, superseded or replaced, to constitute a part of this Prospectus.

The Company's principal executive offices are located at 1516 Second Avenue, Seattle, Washington 98101, telephone: (206) 622-2335.

FORWARD-LOOKING STATEMENTS

This Prospectus and the documents incorporated herein by reference contain forward-looking statements based on current expectations, estimates and projections about the Company's industry, management's beliefs and certain assumptions made by management. All statements, trends, analyses and other information contained in this Prospectus and the documents incorporated herein by reference relative to trends in net sales, gross margin, anticipated expense levels and liquidity and capital resources, as well as other statements including, but not limited to, words such as "anticipate," "believe," "plan," "estimate," "expect," "seek" and "intend," and other similar expressions, constitute forward-looking statements. These forward-looking statements involve risks and uncertainties, and actual results may differ materially from those anticipated or expressed in such statements. Potential risks and uncertainties include, among others, those set forth herein under "Risk Factors," as well as set forth under "Management's Discussion and Analysis of Financial Condition and Results of Operations -- Overview," "-- Liquidity and Capital Resources" and "-- Additional Factors That May Affect Future Results" in the Company's Quarterly Report on Form 10-Q filed for the quarter ended June 30, 1998 and under "Management's Discussion and Analysis of Financial Condition and Results of Operations -- Overview" and "-- Liquidity and Capital Resources" and "Business -- Additional Factors That May Affect Future Results" in the Company's Annual Report on Form 10-K for the year ended December 31, 1997, as amended by the Company's Current Report on Form 8-K dated August 27, 1998. Particular attention should be paid to the cautionary statements involving the Company's limited operating history, the unpredictability of its future revenues, the unpredictable and evolving nature of its business model, the intensely competitive online commerce and retail book and music industries and the risks associated with capacity constraints, systems development, management of growth, acquisitions, any new products and international or domestic business expansion. Except as required by law, the Company undertakes no obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise. Readers, however, should carefully review the factors set forth in other reports or documents that the Company files from time to time with the Commission.

RISK FACTORS

In addition to the other information contained in this Prospectus, investors should carefully consider the following risk factors before making an investment decision concerning the Shares:

Limited Operating History; Accumulated Deficit; Anticipated Losses. The Company was incorporated in July 1994 and commenced offering products for sale on its Web site in July 1995. Accordingly, the Company has a limited operating history on which to base an evaluation of its business and prospects. The Company's prospects must be considered in light of the risks, expenses and difficulties frequently encountered by companies in their early stage of development, particularly companies in new and rapidly evolving markets such as online commerce. Such risks for the Company include, but are not limited to, an evolving and unpredictable business model and the management of growth. To address these risks, the Company must, among other things, maintain and increase its customer base, implement and successfully execute its business and marketing strategy and its expansion into new product or geographic markets, effectively manage and integrate acquisitions and other business combinations, continue to develop and upgrade its technology and transaction-processing systems, improve its Web site, provide superior customer service and order fulfillment, respond to competitive developments, and attract, retain and motivate qualified personnel. There can be no assurance that the Company will be successful in addressing such risks, and the failure to do so could have a material adverse effect on the Company's business, prospects, financial condition and results of operations.

Since inception, the Company has incurred significant losses, and as of June 30, 1998 had an accumulated deficit of $70.5 million. The Company believes that its success will depend in large part on its ability to (i) extend its brand position, (ii) provide its customers with outstanding value and a superior shopping experience, and (iii) achieve sufficient sales volume to realize economies of scale. Accordingly, the Company intends to continue to invest heavily in marketing and promotion, product development and technology and operating infrastructure development. The Company also offers attractive pricing programs, which have resulted in relatively low product gross margins. As a result, achieving profitability given planned investment levels depends on the Company's ability to generate and sustain substantially increased revenue levels. In addition, amounts associated with the Company's recent acquisitions, including amortization of goodwill and other purchased intangibles and ongoing operating expenses of those companies, as well as interest expense related to the Senior Discount Notes (as defined below) will further affect the Company's operating results. As a result of the foregoing factors, the Company believes that it will continue to incur substantial operating losses for the foreseeable future and that the rate at which such losses will be incurred will increase significantly from current levels. Although the Company has experienced significant revenue growth in recent periods, such growth rates are not sustainable and will decrease in the future. In view of the rapidly evolving nature of the Company's business and its limited operating history, the Company believes that period-to-period comparisons of its operating results, including the Company's gross profit and operating expenses as a percentage of net sales, are not necessarily meaningful and should not be relied on as an indication of future performance.

Unpredictability of Future Revenues; Potential Fluctuations in Quarterly Operating Results; Seasonality. As a result of the Company's limited operating history and the emerging nature of the markets in which it competes, the Company is unable to accurately forecast its revenues. The Company's current and future expense levels are based largely on its investment plans and estimates of future revenues and are to a large extent fixed. Sales and operating results generally depend on the volume of, timing of and ability to fulfill orders received, which are difficult to forecast. The Company may be unable to adjust spending in a timely manner to compensate for any unexpected revenue shortfall. Accordingly, any significant shortfall in revenues in relation to the Company's planned expenditures would have an immediate adverse effect on the Company's business, prospects, financial condition and results of operations. Further, as a strategic response to changes in the competitive environment, the Company may from time to time make certain pricing, service, marketing or acquisition decisions that could have a material adverse effect on its business, prospects, financial condition and results of operations. For example, the Company has recently announced acquisitions that will result in the Company's incurring significant charges, including amortization of goodwill and other purchased intangibles and ongoing operating expenses of the acquired companies.

The Company expects to experience significant fluctuations in its future quarterly operating results due to a variety of factors, many of which are outside the Company's control. Factors that may adversely affect the Company's quarterly operating results include, among others, (i) the Company's ability to retain existing customers, attract new customers at a steady rate and maintain customer satisfaction, (ii) the Company's ability to acquire product, to maintain appropriate inventory levels and to manage fulfillment operations, (iii) the Company's ability to maintain gross margins in its existing business and in future product lines and markets, (iv) the development, announcement or introduction of new sites, services and products by the Company and its competitors, (v) price competition or higher wholesale prices in the industry, (vi) the level of use of the Internet and online services and increasing consumer acceptance of the Internet and other online services for the purchase of products such as those offered by the Company, (vii) the Company's ability to upgrade and develop its systems and infrastructure, (viii) the Company's ability to attract new personnel in a timely and effective manner, (ix) the level of traffic on the Company's Web site, (x) the Company's ability to manage effectively its development of new business segments and markets, (xi) the Company's ability to successfully manage the integration of operations and technology of acquisitions or other business combinations, (xii) technical difficulties, system downtime or Internet brownouts, (xiii) the amount and timing of operating costs and capital expenditures relating to expansion of the Company's business, operations and infrastructure, (xiv) the number of popular books, music selections and other products introduced during the period, (xv) the level of merchandise returns experienced by the Company, (xvi) governmental regulation and taxation policies, (xvii) disruptions in service by common carriers due to strikes or otherwise, and (xviii) general economic conditions and economic conditions specific to the Internet, online commerce and the book and music industries.

The Company expects that it will experience seasonality in its business, reflecting a combination of seasonal fluctuations in Internet usage and traditional retail seasonality patterns. Internet usage and the rate of Internet growth may be expected to decline during the summer. Further, sales in the traditional retail book and music industries are generally significantly higher in the fourth calendar quarter of each year.

Due to the foregoing factors, in one or more future quarters the Company's operating results may fall below the expectations of securities analysts or investors. In such event, the trading price of the Common Stock would likely be materially adversely affected.

Competition. The online commerce market, particularly over the Web, is new, rapidly evolving and intensely competitive. In addition, the retail book and music industries are intensely competitive. The Company's current or potential competitors include (i) various online booksellers and vendors of other products such as CDs and videotapes, including entrants into narrow specialty niches, (ii) a number of indirect competitors that specialize in online commerce or derive a substantial portion of their revenues from online commerce, through which retailers other than the Company may offer products, and (iii) publishers, distributors and retail vendors of books, music and other products, including Barnes & Noble, Inc. ("Barnes & Noble") Bertelsmann AG ("Bertelsmann") and other large specialty booksellers and integrated media corporations, many of which possess significant brand awareness, sales volume and customer bases. The Company believes that the principal competitive factors in its market are brand recognition, selection, personalized services, convenience, price, accessibility, customer service, quality of search tools, quality of editorial and other site content and reliability and speed of fulfillment. Many of the Company's competitors have longer operating histories, larger customer bases, greater brand recognition and significantly greater financial, marketing and other resources than the Company. Certain of the Company's competitors may be able to secure merchandise from vendors on more favorable terms, devote greater resources to marketing and promotional campaigns, adopt more aggressive pricing or inventory availability policies and devote substantially more resources to Web site and systems development than the Company. Increased competition may result in reduced operating margins, loss of market share and a diminished brand franchise. The Company anticipates that as the online commerce market continues to grow, a certain amount of consolidation may occur. For example, Bertelsmann recently announced that it purchased a 50% interest in Barnes & Noble's online venture, barnesandnoble.com inc. In addition, online music retailers CDnow, Inc. and N2K Inc. recently announced that they agreed to merge. There can be no assurance that the Company will be able to compete successfully against current and future competitors.

The Company expects that competition in the Internet and online commerce markets will intensify in the future. For example, as various Internet market segments obtain large, loyal customer bases, participants in those segments may seek to leverage their market power to the detriment of participants in other market segments. In addition, new technologies and the expansion of existing technologies may increase the competitive pressures on online retailers, including the Company. For example, "shopping agent" technologies permit customers to quickly compare the Company's prices with those of its competitors. Competitive pressures created by any one of the Company's competitors, or by the Company's competitors collectively, could have a material adverse effect on the Company's business, prospects, financial condition and results of operations.

System Development and Operation Risks. The Company's revenues depend on the number of visitors who shop on its Web site and the volume of orders it fulfills. Any system interruptions that result in the unavailability of the Company's Web site or reduced order fulfillment performance would reduce the volume of goods sold and the attractiveness of the Company's product and service offerings. The Company has experienced periodic system interruptions, which it believes will continue to occur from time to time. The Company uses an internally developed system for its Web site and substantially all aspects of transaction processing, including order management, cash and credit card processing, purchasing, inventory management and shipping. The Company will be required to add additional software and hardware and further develop and upgrade its existing technology, transaction-processing systems and network infrastructure to accommodate increased traffic on its Web site and increased sales volume through its transaction-processing systems. Any inability to do so may cause unanticipated system disruptions, slower response times, degradation in levels of customer service, impaired quality and speed of order fulfillment, or delays in reporting accurate financial information. There can be no assurance that the Company will be able to accurately project the rate or timing of increases, if any, in the use of its Web site or in a timely manner to effectively upgrade and expand its transaction-processing systems or to integrate smoothly any newly developed or purchased modules with its existing systems. Any inability to do so could have a material adverse effect on the Company's business, prospects, financial condition and results of operations.

Substantially all of the Company's computer and communications hardware is located at a single leased facility in Seattle, Washington. The Company's systems and operations are vulnerable to damage or interruption from fire, flood, power loss, telecommunications failure, break-ins, earthquake and similar events. The Company does not currently have redundant systems or a formal disaster recovery plan and in the event of a major interruption does not have sufficient business interruption insurance to compensate it for losses that may occur. Despite the implementation of network security measures by the Company, its servers are vulnerable to computer viruses, physical or electronic break-ins and similar disruptions, which could lead to interruptions, delays, loss of critical data or the inability to accept and fulfill customer orders. The occurrence of any of the foregoing events could have a material adverse effect on the Company's business, prospects, financial condition and results of operations.

Management of Potential Growth. The Company has rapidly and significantly expanded its operations and anticipates that further expansion will be required to address potential growth in its customer base, to expand its product and service offerings and its international operations, and to pursue other market opportunities. The expansion of the Company's operations and employee base has placed, and is expected to continue to place, a significant strain on the Company's management, operational and financial resources. To manage the expected growth of its operations and personnel, the Company will be required to improve existing and implement new transaction-processing, operational and financial systems, procedures and controls, as well as to expand, train and manage its growing employee base. There can be no assurance that the Company's current and planned personnel, systems, procedures and controls will be adequate to support the Company's future operations, that management will be able to hire, train, retain, motivate and manage required personnel or that Company management will be able to successfully identify, manage and exploit existing and potential market opportunities. If the Company is unable to manage growth effectively, such inability could have a material adverse effect on the Company's business, prospects, financial condition and results of operations.

Risks of New Business Areas. The Company over time intends to expand its operations by promoting new or complementary products or sales formats and by expanding the breadth and depth of its product or

service offerings. For example, the Company introduced its music store in June 1998. Expansion of the Company's operations in this manner will require significant additional expenses and development, operations and editorial resources and could strain the Company's management, financial and operational resources. Furthermore, the Company may not benefit from the first-mover advantage that it experienced in the online book market, and gross margins attributable to new business areas may be lower than those associated with the Company's existing business activities. There can be no assurance that the Company will be able to expand its operations in a cost-effective or timely manner. Furthermore, any new business launched by the Company that is not favorably received by consumers could damage the Company's reputation or the Amazon.com brand. The lack of market acceptance of such efforts or the Company's inability to generate satisfactory revenues from such expanded services or products to offset their cost could have a material adverse effect on the Company's business, prospects, financial condition and results of operations.

Risks of International Expansion. The Company expects to expand its presence in foreign markets and in April 1998 acquired two international online booksellers to accelerate this expansion. To date, the Company has only limited experience in sourcing, marketing and distributing products on an international basis and in developing localized versions of its Web site and other systems. The Company expects to incur significant costs in establishing international facilities and operations, in promoting its brand internationally, in developing localized versions of its Web site and other systems and in sourcing, marketing and distributing products in foreign markets. There can be no assurance that the Company's international efforts will be successful. If the revenues resulting from international activities are inadequate to offset the expense of establishing and maintaining foreign operations, such inadequacy could have a material adverse effect on the Company's business, prospects, financial condition and results of operations. In addition, there are certain risks inherent in doing business on an international level, such as unexpected changes in regulatory requirements, export and import restrictions, tariffs and other trade barriers, difficulties in staffing and managing foreign operations, longer payment cycles, political instability, fluctuations in currency exchange rates, seasonal reductions in business activity in other parts of the world and potentially adverse tax consequences, any of which could adversely affect the success of the Company's international operations. Furthermore, it is possible that governments in certain foreign jurisdictions may have or enact legislation with respect to the Internet or other online services in such areas as content, privacy, network security, encryption or distribution that may affect the Company's ability to conduct business abroad. There can be no assurance that one or more of such factors will not have a material adverse effect on the Company's future international operations and, consequently, on the Company's business, prospects, financial condition and results of operations.

Risks of Business Combinations and Strategic Alliances. The Company may choose to expand its operations or market presence by entering into business combinations, investments, joint ventures or other strategic alliances with third parties such as the Company's April acquisitions of two international online booksellers and of Internet Movie Database Limited and August acquisitions of Junglee Corp. ("Junglee") and Sage Enterprises, Inc. ("PlanetAll"). Any such transaction will be accompanied by risks commonly encountered in such transactions, which include, among others, the difficulty of assimilating the operations, technology and personnel of the combined companies, the potential disruption of the Company's ongoing business, the possible inability to retain key technical and managerial personnel, the potential inability of management to maximize the financial and strategic position of the Company through the successful integration of acquired businesses, additional expenses associated with amortization of goodwill and purchased intangible assets, additional operating losses and expenses associated with the activities and expansion of acquired businesses, the maintenance of uniform standards, controls and policies and the possible impairment of relationships with existing employees and customers. There can be no assurance that the Company will be successful in overcoming these risks or any other problems encountered in connection with such business combinations, investments, joint ventures or other strategic alliances, or that such transactions will not have a material adverse effect on the Company's business, prospects, financial condition and results of operations.

Rapid Technological Change. To remain competitive, the Company must continue to enhance and improve the responsiveness, functionality and features of the Amazon.com online store. The Internet and the online commerce industry are characterized by rapid technological change, changes in user and customer requirements and preferences, frequent new products and service introductions embodying new technologies

and the emergence of new industry standards and practices that could render the Company's existing Web site and proprietary technology and systems obsolete. The Company's success will depend, in part, on its ability to license leading technologies useful in its business, enhance its existing services, develop new services and technology that address the increasingly sophisticated and varied needs of its prospective customers and respond to technological advances and emerging industry standards and practices on a cost-effective and timely basis. The development of a Web site and other proprietary technology entails significant technical, financial and business risks. There can be no assurance that the Company will successfully implement new technologies or adapt its Web site, proprietary technology and transaction-processing systems to customer requirements or emerging industry standards. If the Company is unable, for technical, legal, financial or other reasons, to adapt in a timely manner in response to changing market conditions or customer requirements, such inability could have a material adverse effect on the Company's business, prospects, financial condition and results of operations.

Dependence on Key Personnel. The Company's performance is substantially dependent on the continued services and on the performance of its senior management and other key personnel, particularly Jeffrey P. Bezos, its President, Chief Executive Officer and Chairman of the Board. The Company does not have long-term employment agreements with any of its key personnel and maintains no "key person" life insurance policies. The loss of the services of its executive officers or other key employees could have a material adverse effect on the Company's business, prospects, financial condition and results of operations.

Reliance on Certain Suppliers. The Company purchases a substantial majority of its products from two major vendors, Ingram Book Group ("Ingram") and Baker & Taylor, Inc. Ingram is the Company's single largest supplier and accounted for 58% and 59% of the Company's inventory purchases in 1997 and 1996, respectively. The Company has no long-term contracts or arrangements with any of its vendors that guarantee the availability of merchandise, the continuation of particular payment terms or the extension of credit limits. There can be no assurance that the Company's current vendors will continue to sell merchandise to the Company on current terms or that the Company will be able to establish new or extend current vendor relationships to ensure acquisition of merchandise in a timely and efficient manner and on acceptable commercial terms. If the Company were unable to develop and maintain relationships with vendors that would allow it to obtain sufficient quantities of merchandise on acceptable commercial terms, such inability could have a material adverse effect on the Company's business, prospects, financial condition and results of operations.

Increased Leverage. The Company has significant indebtedness outstanding, principally $326 million gross proceeds of 10% Senior Discount Notes due 2008 (the "Senior Discount Notes"), capitalized lease obligations and other equipment financing. The Company may incur substantial additional indebtedness in the future. The level of the Company's indebtedness, among other things, could (i) make it difficult for the Company to make payments on the Senior Discount Notes, (ii) make it difficult for the Company to obtain any necessary financing in the future for working capital, capital expenditures, debt service requirements or other purposes, (iii) limit the Company's flexibility in planning for, or reacting to changes in, its business, and (iv) make it more vulnerable in the event of a downturn in its business. There can be no assurance that the Company will be able to improve its earnings before fixed charges or that the Company will be able to meet its debt service obligations, including its obligations under the Senior Discount Notes. In the event the Company's cash flow is inadequate to meet its obligations, the Company could face substantial liquidity problems. If the Company is unable to generate sufficient cash flow or otherwise obtain funds necessary to make required payments, or if the Company otherwise fails to comply with the various covenants in its indebtedness, it would be in default under the terms thereof, which would permit the holders of such indebtedness to accelerate the maturity of such indebtedness and could cause defaults under other indebtedness of the Company. Any such default could have a material adverse effect on the Company's business, prospects, financial condition and results of operations.

Risks Associated With Domain Names. The Company currently holds various Web domain names relating to its brand, including the "Amazon.com" domain name. The acquisition and maintenance of domain names generally is regulated by governmental agencies and their designees. For example, in the United States, the National Science Foundation has appointed Network Solutions, Inc. as the current exclusive registrar for

the ".com," ".net" and ".org" generic top-level domains. The regulation of domain names in the United States and in foreign countries is subject to change in the near future. Such changes in the United States are expected to include a transition from the current system to a system that is controlled by a nonprofit corporation and the creation of additional top-level domains. Governing bodies may establish additional top-level domains, appoint additional domain name registrars or modify the requirements for holding domain names. As a result, there can be no assurance that the Company will be able to acquire or maintain relevant domain names in all countries in which it conducts business. Furthermore, the relationship between regulations governing domain names and laws protecting trademarks and similar proprietary rights is unclear. The

Company, therefore, may be unable to prevent third parties from acquiring domain names that are similar to, infringe upon or otherwise decrease the value of its trademarks and other proprietary rights. Any such inability could have a material adverse effect on the Company's business, prospects, financial condition and results of operations.

Governmental Regulation and Legal Uncertainties. The Company is not currently subject to direct regulation by any domestic or foreign governmental agency, other than regulations applicable to businesses generally and laws or regulations directly applicable to access to online commerce. However, due to the increasing popularity and use of the Internet and other online services, it is possible that a number of laws and regulations may be adopted with respect to the Internet or other online services covering issues such as user privacy, pricing, content, copyrights, distribution and characteristics and quality of products and services. Furthermore, the growth and development of the market for online commerce may prompt calls for more stringent consumer protection laws that may impose additional burdens on those companies conducting business online. The adoption of any additional laws or regulations may decrease the growth of the Internet or other online services, which could, in turn, decrease the demand for the Company's products and services and increase the Company's cost of doing business, or otherwise have a material adverse effect on the Company's business, prospects, financial condition and results of operations. Moreover, the applicability to the Internet and other online services of existing laws in various jurisdictions governing issues such as property ownership, sales and other taxes, libel and personal privacy is uncertain and may take years to resolve. Any such new legislation or regulation, the application of laws and regulations from jurisdictions whose laws do not currently apply to the Company's business, or the application of existing laws and regulations to the Internet and other online services could have a material adverse effect on the Company's business, prospects, financial condition and results of operations.

Restrictions on Payment of Dividends. The Company has never paid any cash dividends on its Common Stock. The Company's Board of Directors will determine future dividend policy based on the Company's results of operations, financial condition, capital requirements and other circumstances. The Indenture, dated as of May 8, 1998, between the Company and the Bank of New York, as Trustee, relating to the Senior Discount Notes, prohibits the Company from paying cash dividends on its capital stock, subject to certain exceptions. It is not anticipated that any cash dividends will be paid on the Common Stock in the foreseeable future.

Year 2000 Compliance. The Company has developed a plan to modify its information technology to recognize the Year 2000 and has, to the extent necessary, begun converting its critical data processing systems. Since the Company's systems and software are relatively new, management does not expect Year 2000 issues related to its own internal systems to be significant and does not anticipate that it will incur significant operating expenses or be required to invest heavily in computer systems improvements to be Year 2000 compliant. The Company has initiated formal communications with certain of its significant suppliers and service providers to determine the extent to which the Company's interface systems may be vulnerable should those third parties fail to address and correct their own Year 2000 issues. The Company currently expects the project to be completed in the third quarter of 1999. There can be no guarantee that the systems of suppliers or other companies on which the Company relies will be converted in a timely manner and will not have a material adverse effect on the Company's systems. Additionally, there can be no guarantee that the computer systems necessary to maintain the viability of the Internet or any of the Web sites that direct consumers to the Company's online store will be Year 2000 compliant. As part of the Company's overall Year 2000 compliance

plan, the Company intends to monitor systems performance and plans to develop a rapid response program in the event of any significant disruption as a result of the Year 2000 issues.

Volatility of Stock Price. The trading price of the Common Stock is subject to wide fluctuations. For example, for the 52-week period ended October 23, 1998, the reported closing price of the Common Stock on Nasdaq was as high as $139.50 and as low as $22.625 per share (as adjusted for the Company's 2-for-1 stock split effected June 1, 1998). Trading prices of the Common Stock may fluctuate in response to a number of events and factors, such as quarterly variations in operating results, announcements of innovations, new products, strategic developments or business combinations by the Company or its competitors, changes in the Company's expected operating expense levels or losses, changes in financial estimates and recommendations by securities analysts, the operating and stock price performance of other companies that investors may deem comparable to the Company, news reports relating to trends in the Internet, book or music industries and other events or factors many of which are beyond the Company's control. In addition, the stock market in general, and the market prices for Internet-related companies in particular, have experienced extreme volatility that often has been unrelated to the operating performance of such companies. These broad market and industry fluctuations may adversely affect the trading price of the Common Stock, regardless of the Company's operating performance.

SELLING STOCKHOLDERS

The following table provides certain information regarding the Selling Stockholders and the number of Shares being offered by them as of September 30, 1998.

NAME AND ADDRESS	SHARES BENEFICIALLY OWNED PRIOR TO OFFERING		SHARES THAT MAY BE SOLD	SHARES BENEFICIALLY OWNED AFTER OFFERING(1)
	AMOUNT	PERCENTAGE OF COMMON STOCK OUTSTANDING		
PLANETALL MERGER				
Warren William Adams................	211,907(2)(3)	*	166,907	45,000
William Allocca.....................	8,578(4)	*	5	8,573
Kenneth Edward Barrett..............	1,814	*	1,814	0
Thomas Jason Black..................	99(2)	*	99	0
David Bullock.......................	6,751	*	6,751	0
Rachael Burger......................	736(5)	*	5	731
Jason Peter Butler..................	2,661(6)	*	5	2,656
Steven James Carbone................	156	*	156	0
CMG @Ventures II, LLC...............	225,557(2)	*	225,557	0
Digital Ventures Limited............	120,952(2)	*	120,952	0
Kenneth Lee Dinovo..................	3,903(7)	*	5	3,898
Steven Richard Dyer.................	4,347(8)	*	5	4,342
Robert A. Ferrari...................	23	*	23	0
Stuart Gannes.......................	557	*	557	0
Nancy T. Garland....................	1,371(9)	*	5	1,366
Growth Partners.....................	6,590	*	6,590	0
John William Gurley.................	4,274	*	4,274	0
John Hummer.........................	4,274	*	4,274	0
Thomas R. Johnson...................	69	*	69	0
Alexander Kaplevatsky...............	2	*	2	0
Brian J. Kennealy...................	4,562(10)	*	5	4,557
Alan Kipust.........................	3,157	*	3,157	0
James R. Lane.......................	3,076	*	3,076	0
Frank Nelson Levy...................	5,463(11)	*	5	5,458
Phillip Preston Lohnes..............	296	*	296	0
Lycos, Inc..........................	107,377(2)	*	107,377	0
Thomas Mastrocola...................	1,352	*	1,352	0
Jeffrey D. Mather...................	33	*	33	0
Gerald Phillip Michalski............	427(2)	*	427	0
John Kenneth Michaud................	23	*	23	0
James David Mirenda.................	2,453	*	2,453	0
M. Bruce Nakao 1994 Trust 4/28/94...	977	*	977	0
Wende Lawrence Niles................	147(12)	*	5	142
Sung Kyu Park.......................	1,394	*	1,394	0
Puma Technology, Inc................	12,824	*	12,824	0
Clive Ramsay........................	2,255	*	2,255	0
Brian Roberts.......................	6,157	*	6,157	0
Brian David Robertson...............	86,747(2)(13)	*	41,747	45,000
Henry W. Rossi......................	2,714	*	2,714	0

NAME AND ADDRESS	SHARES BENEFICIALLY OWNED PRIOR TO OFFERING: AMOUNT	SHARES BENEFICIALLY OWNED PRIOR TO OFFERING: PERCENTAGE OF COMMON STOCK OUTSTANDING	SHARES THAT MAY BE SOLD	SHARES BENEFICIALLY OWNED AFTER OFFERING(1)
Bradley Alan Rowe..................	977	*	977	0
Schwartz Communications, Inc........	1,090	*	1,090	0
Dennis Hyun Son.....................	156(2)	*	156	0
Stevenson Family Investment, L.P....	1,581	*	1,581	0
SUN Capital Partners Limited........	39,356	*	39,356	0
Robert Blair Taylor.................	1,767	*	1,767	0
Gwendolyn M. Thompson...............	2,461	*	2,461	0
David F. Tufaro.....................	13,945(2)	*	13,945	0
Sharon K. Tufaro....................	13,945(2)	*	13,945	0
Vencor & Co.........................	1,804	*	1,804	0
Scott Wilhelm.......................	867(14)	*	5	862
JUNGLEE MERGER				
Yu Shun Chang.......................	5,412	*	5,412	0
Hon-Jane Chiu.......................	33,826	*	33,826	0
Linda Christensen...................	634	*	634	0
CMC Magnetics Corporation...........	35,179	*	35,179	0
Martin Cooper.......................	3,382	*	3,382	0
Werner O. Daghofer..................	7,949(15)	*	2,663	5,286
Dip Yah International Corporation...	2,706	*	2,706	0
Constantin S. Delivanis.............	10,148	*	10,148	0
Peter M. Donovan....................	2,706	*	2,706	0
F&W Investments 1997................	1,353	*	1,353	0
Gabriel Fernandez...................	1,071	*	1,071	0
Fred M. Gibbons.....................	3,664	*	3,664	0
Anbarasan P. Gounder................	2,268(16)	*	761	1,507
Ashish Gupta........................	225,899(17)	*	175,899	50,000
Masumi Hara.........................	676	*	676	0
Venkatesh Harinarayan...............	225,899(18)	*	175,899	50,000
Kin Yuen Hoh........................	1,183	*	1,183	0
Mei Chin Huang......................	13,530	*	13,530	0
Kankaku Investment Co., Ltd.........	5,412	*	5,412	0
KIC-3 Investment Partnership........	8,118	*	8,118	0
Kyocera Corporation.................	45,102	*	45,102	0
Yen-Nan Lee.........................	27,061	*	27,061	0
Brian Lent..........................	7,267(19)	*	5,186	2,081
Judy Ting-Lan Li....................	2,706	*	2,706	0
Steve W. Marchette..................	243	*	243	0
Rakesh Mathur.......................	225,899(20)	*	175,899	50,000
McKinsey & Company, Inc.............	8,698	*	8,698	0
Gordon Mortensen....................	270	*	270	0
Nichimen America, Inc...............	45,102	*	45,102	0
Nichiman Corporation (Japan)........	45,102	*	45,102	0
Peter Norvig........................	4,776(21)	*	4,246	530

NAME AND ADDRESS	SHARES BENEFICIALLY OWNED PRIOR TO OFFERING: AMOUNT	SHARES BENEFICIALLY OWNED PRIOR TO OFFERING: PERCENTAGE OF COMMON STOCK OUTSTANDING	SHARES THAT MAY BE SOLD	SHARES BENEFICIALLY OWNED AFTER OFFERING(1)
Craig & Susan Olson Living Trust Dated April 15, 1997, Through its Trustees, Craig & Susan Olson.......	8,456	*	8,456	0
Zoe Oredson.........................	338	*	338	0
Nayantara H. Patel..................	6,685(22)	*	439	6,246

Yan L. Philipe......................	6,403(23)	*	338	6,065
Dallan Quass........................	35,179	*	35,179	0
Anand Rajaraman.....................	225,899(24)	*	175,899	50,000
M.R. Rangaswami.....................	10,148	*	10,148	0
Michelle L. Rife....................	466	*	466	0
Robert C. Fitzwilson Trust..........	4,735	*	4,735	0
Robyn Sherman.......................	2,390	*	2,390	0
Hisato Shihodo......................	27,061	*	27,061	0
Kavitark R. Shriram(25).............	160,274(26)	*	76,448	83,826
Silicon Valley Bank.................	608	*	608	0
Damon Todd Silver...................	537(27)	*	394	143
Stanford University.................	61,706	*	2,706	59,000
Sun Circle Pte. Ltd.................	2,706	*	2,706	0
Susan Jackson, Trustee of the Susan JacksonTrust dated 9/15/89....	4,735	*	4,735	0
Trans Cosmos USA Inc................	94,715	*	94,715	0
Tsyuoshi Taira......................	47,357	*	47,357	0
The Washington Post Co..............	202,961	*	202,961	0
Jeffrey D. Ullman...................	5,412	*	5,412	0
Kenneth J. Virnig...................	413	*	413	0
Win Win Venture Capital Corporation.......................	22,551	*	22,551	0
WS Investment Company...............	819	*	819	0
WS Investment Company 97B...........	819	*	819	0
Karen C. Yao........................	2,106(28)	*	1,973	133
TELEBOOK MERGER				
Michael J.G. Gleissner..............	442,234(29)	*	129,532	312,702
Christian Jagodzinski...............	244,940(30)	*	75,676	169,264
Maria Garcia Nielson................	5,878(31)	*	3,778	2,100
Ulrike Stadler......................	244,940(30)	*	75,676	169,264
OTHER TRANSACTIONS				
Tracy Adams.........................	533	*	533	0
Alan R. Bailey......................	34	*	34	0
Vladimir Sukonnik...................	1,574	*	1,574	0

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* Less than 1%.

(1) Assumes the sale of all the Shares offered by each of the Selling Stockholders.

(2) These Shares are contractually ineligible for sale or transfer pursuant to the Registration Statement or otherwise until the publication by the Company of certain financial data that reflect the combined results of operations of the Company and PlanetAll for a period of 30 days.

(3) Includes 45,000 shares subject to options exercisable within 60 days of September 30, 1998, all of which are subject to repurchase by the Company at the original exercise price in the event of termination of services of holder, which right lapses over time in accordance with a vesting schedule.

(4) Includes 8,573 shares subject to options exercisable within 60 days of September 30, 1998, 7,000 of which are subject to repurchase by the Company at the original exercise price in the event of termination of services of holder, which right lapses over time in accordance with a vesting schedule.

(5) Includes 731 shares subject to options exercisable within 60 days of September 30, 1998.

(6) Includes 2,656 shares subject to options exercisable within 60 days of September 30, 1998, 2,500 of which are subject to repurchase by the Company at the original exercise price in the event of termination of services of holder, which right lapses over time in accordance with a vesting schedule.

(7) Includes 3,898 shares subject to options exercisable within 60 days of September 30, 1998, 3,000 of which are subject to repurchase by the Company at the original exercise price in the event of termination of services of holder, which right lapses over time in accordance with a vesting schedule.

(8) Includes 4,342 shares subject to options exercisable within 60 days of September 30, 1998, 3,500 of which are subject to repurchase by the Company at the original exercise price in the event of termination of services of holder, which right lapses over time in accordance with a vesting schedule.

(9) Includes 1,366 shares subject to options exercisable within 60 days of September 30, 1998, 1,250 of which are subject to repurchase by the Company in the event of termination of services of holder, which right lapses over time in accordance with a vesting schedule.

(10) Includes 4,557 shares subject to options exercisable within 60 days of September 30, 1998, 4,000 of which are subject to repurchase by the Company at the original exercise price in the event of termination of services of holder, which right lapses over time in accordance with a vesting schedule.

(11) Includes 5,458 shares subject to options exercisable within 60 days of September 30, 1998, 500 of which are subject to repurchase by the Company at the original exercise price in the event of termination of services of holder, which right lapses over time in accordance with a vesting schedule.

(12) Includes 142 shares subject to options exercisable within 60 days of September 30, 1998.

(13) Includes 45,000 shares subject to options exercisable within 60 days of September 30, 1998, all of which are subject to repurchase by the Company at the original exercise price in the event of termination of services of holder, which right lapses over time in accordance with a vesting schedule.

(14) Includes 862 shares subject to options exercisable within 60 days of September 30, 1998, 750 of which are subject to repurchase by the Company at the original exercise price in the event of termination of services of holder, which right lapses over time in accordance with a vesting schedule.

(15) Includes 5,286 shares subject to options exercisable within 60 days of September 30, 1998, 4,000 of which are subject to repurchase by the Company at the original exercise price in the event of termination of services of holder, which right lapses over time in accordance with a vesting schedule.

(16) Includes 1,507 shares subject to options exercisable within 60 days of September 30, 1998, 1,000 of which are subject to repurchase by the Company at the original exercise price in the event of termination of services of holder, which right lapses over time in accordance with a vesting schedule.

(17) Includes 78,249 Shares subject to a right of repurchase by the Company. As a result, these Shares will not contractually be eligible for sale or transfer pursuant to the Registration Statement or otherwise until such Shares have vested and are released. Subject to the provision of continuous services 2,371 of such Shares will vest per month. The vesting of such Shares will accelerate under certain circumstances pursuant to the terms of Mr. Gupta's Restricted Stock Purchase Agreement. Also includes 50,000 shares subject to options exercisable within 60 days of September 30, 1998, all of which are subject to repurchase by the Company at the original exercise price in the event of termination of services of holder, which right lapses over time in accordance with a vesting schedule.

(18) Includes 78,249 Shares subject to a right of repurchase by the Company. As a result, these Shares will not contractually be eligible for sale or transfer pursuant to the Registration Statement or otherwise until such Shares have vested and are released. Subject to the provision of continuous services 2,371 of such

Shares will vest per month. The vesting of such Shares will accelerate under certain circumstances pursuant to the terms of Mr. Harinarayan's Restricted Stock Purchase Agreement. Also includes 50,000 shares subject to options exercisable within 60 days of September 30, 1998, all of which are subject to repurchase by the Company at the original exercise price in the event of termination of services of holder, which right lapses over time in accordance with a vesting schedule.

(19) Includes 2,081 shares subject to options exercisable within 60 days of September 30, 1998, 1,000 of which are subject to repurchase by the Company at the original exercise price in the event of termination of services of holder, which right lapses over time in accordance with a vesting schedule.

(20) Includes 78,249 Shares subject to a right of repurchase by the Company. As

a result, these Shares will not contractually be eligible for sale or transfer pursuant to the Registration Statement or otherwise until such Shares have vested and are released. Subject to the provision of continuous services 2,371 of such Shares will vest per month. The vesting of such Shares will accelerate under certain circumstances pursuant to the terms of Mr. Mathur's Restricted Stock Purchase Agreement. Also includes 50,000 shares subject to options exercisable within 60 days of September 30, 1998, all of which are subject to repurchase by the Company at the original exercise price in the event of termination of services of holder, which right lapses over time in accordance with a vesting schedule.

(21) Includes 530 shares subject to options exercisable within 60 days of September 30, 1998.

(22) Includes 6,246 shares subject to options exercisable within 60 days of September 30, 1998, 6,000 of which are subject to repurchase by the Company at the original exercise price in the event of termination of services of holder, which right lapses over time in accordance with a vesting schedule.

(23) Includes 6,065 shares subject to options exercisable within 60 days of September 30, 1998, 6,000 of which are subject to repurchase by the Company at the original exercise price in the event of termination of services of holder, which right lapses over time in accordance with a vesting schedule.

(24) Includes 78,249 Shares subject to a right of repurchase by the Company. As a result, these Shares will not contractually be eligible for sale or transfer pursuant to the Registration Statement or otherwise until such Shares have vested and are released. Subject to the provision of continuous services 2,371 of such Shares will vest per month. The vesting of such Shares will accelerate under certain circumstances pursuant to the terms of Mr. Rajaraman's Restricted Stock Purchase Agreement. Also includes 50,000 shares subject to options exercisable within 60 days of September 30, 1998, all of which are subject to repurchase by the Company at the original exercise price in the event of termination of services of holder, which right lapses over time in accordance with a vesting schedule.

(25) Mr. Shriram currently serves as Vice President, Business Development of the Company.

(26) Includes 22,551 Shares subject to a right of repurchase by the Company. As a result, these Shares will not contractually be eligible for sale or transfer pursuant to the Registration Statement or otherwise until such Shares have vested and are released. Subject to the provision of continuous services 2,819 of such Shares will vest per month. The vesting of such Shares will accelerate under certain circumstances pursuant to the terms of Mr. Shriram's Restricted Stock Purchase Agreement. Also includes 83,826 shares subject to options exercisable within 60 days of September 30, 1998, all of which are subject to repurchase by the Company in the event of termination of services of holder, which right lapses over time in accordance with a vesting schedule. The repurchase price for 50,000 of such shares is the original exercise price.

(27) Includes 143 shares subject to options exercisable within 60 days of September 30, 1998.

(28) Includes 133 shares subject to options exercisable within 60 days of September 30, 1998.

(29) Includes 104,370 shares deposited with an escrow agent to secure indemnification obligations under the Telebook Merger and 58,332 shares pledged under an employment agreement to secure future services. The shares placed in escrow and pledged under the employment agreement are not included as Shares pursuant to the Registration Statement. Also includes 150,000 shares subject to options exercisable within 60 days of September 30, 1998, all of which are subject to repurchase by the Company at the original exercise price in the event of termination of services of holder, which right lapses over time in accordance with a vesting schedule.

(30) Includes 51,764 shares deposited with an escrow agent to secure indemnification obligations under the Telebook Merger and 17,500 shares pledged under an employment agreement to secure future services. The shares

placed in escrow and pledged under the employment agreement are not included as Shares pursuant to the Registration Statement. Also includes 100,000 shares subject to options exercisable within 60 days of September 30, 1998, all of which are subject to repurchase by the Company at the original exercise price in the event of termination of services of holder, which right lapses over time in accordance with a vesting schedule.

(31) Includes 2,100 shares deposited with an escrow agent to secure indemnification obligations under the Telebook Merger. The shares placed in escrow are not included as Shares pursuant to the Registration Statement.

Except as noted above, none of the Selling Stockholders has had any material relationship with the Company, or any of its affiliates, within the past three years.

The former stockholders of PlanetAll have agreed to indemnify and hold the Company harmless for any losses that may be suffered by the Company or its affiliates arising out of or in connection with any inaccuracy in, or misrepresentation or breach of, any representation or warranty made by PlanetAll in the PlanetAll merger and related agreements, or any failure by PlanetAll to perform its obligations under the PlanetAll merger and related agreements. Approximately 10% of the Shares that initially were issued to each of the Selling Stockholders as a result of the PlanetAll Merger have been deposited with an escrow agent to secure such indemnification obligations. The securities placed in escrow, although included as part of the Shares registered hereunder, thus contractually may not be eligible for resale during the period in which the Registration Statement remains effective.

The former stockholders of Junglee have agreed to indemnify and hold the Company harmless for any losses that may be suffered by the Company or its affiliates arising out of or in connection with any inaccuracy in, or misrepresentation or breach of, any representation or warranty made by Junglee in the Junglee merger and related agreements, or any failure by Junglee to perform its obligations under the Junglee merger and related agreements. Approximately 12% of the Shares that initially were issued to each of the Selling Stockholders as a result of the Junglee Merger have been deposited with an escrow agent to secure such indemnification obligations. The securities placed in escrow, although included as part of the Shares registered hereunder, thus contractually may not be eligible for resale during the period in which the Registration Statement remains effective.

The Selling Stockholders have represented to the Company that they acquired the Shares for their own account for investment only and not with a view toward the public sale or distribution thereof, except pursuant to sales registered under the Securities Act or exemptions therefrom. In recognition of the fact that the Selling Stockholders, even though acquiring the Shares for investment, may wish to be legally permitted to sell their Shares when they deem appropriate, the Company agreed with the Selling Stockholders to file with the Commission under the Securities Act a Registration Statement with respect to the resale of the Shares from time to time and agreed to prepare and file such amendments and supplements to the Registration Statement as may be necessary to keep the Registration Statement effective during the periods negotiated in connection with the respective mergers. With respect to the Shares issued in connection with the PlanetAll Merger, the Registration Statement shall remain effective until the earliest of (i) August 27, 1999, (ii) the date on which all Shares have been registered and sold pursuant to the Registration Statement, or (iii) the date on which the Shares issued in the PlanetAll Merger cease to meet the definition of "Registrable Securities" as defined in the merger agreement for the PlanetAll Merger. With respect to the Shares issued in connection with the Junglee Merger, the Registration Statement shall remain effective until the earliest of (i) August 12, 1999, (ii) the date on which all Shares have been registered and sold pursuant to the Registration Statement, or (iii) the date on which the Shares issued in the Junglee Merger cease to meet the definition of "Registrable Securities" as defined in the merger agreement for the Junglee Merger. With respect to the Shares issued in connection with the Telebook Merger, the Registration Statement shall remain effective generally until the distribution of such Shares has been completed. See "Plan of Distribution."

PLAN OF DISTRIBUTION

All the Shares offered hereby may be sold from time to time by the Selling

Stockholders, or by their pledgees, donees, distributees, transferees or other successors-in-interest. The sale of the Shares by the Selling Stockholders may be effected from time to time in one or more types of transactions (which may include block transactions) in the over-the-counter market through Nasdaq, or on one or more other securities markets and exchanges, in privately negotiated transactions, through put or call options transactions relating to the Shares, through short sales of Shares, or through a combination of such methods of sale, at fixed prices that may be changed, at market prices prevailing at the time of sale, at prices relating to such prevailing market prices or at negotiated prices. The Selling Stockholders may effect the above-mentioned transactions by selling the Shares directly to purchasers, acting as principals for their own accounts, or by or through broker-dealers acting as agents for the Selling Stockholders, or to broker-dealers who may purchase Shares as principals and thereafter sell such Securities from time to time in transactions on any exchange or market on which such securities are listed or quoted, as applicable, in negotiated transactions, through a combination of such methods of sale, or otherwise. Such broker-dealers may receive compensation in the form of discounts, concessions or commissions from the Selling Stockholders and/or the purchasers of the Shares for whom such broker-dealers may act as agents or to whom they may sell as principals, or both (which compensation as to a particular broker-dealer may be in excess of customary commissions). None of the proceeds from the sale of the Shares by the Selling Stockholders will be received by the Company. In addition, any of the Shares that qualify for sale pursuant to Rule 144 promulgated under the Securities Act may be sold in transactions complying with such Rule, rather than pursuant to this Prospectus.

In connection with distributions of the Shares or otherwise, the Selling Stockholders may enter into hedging transactions with broker-dealers. In connection with such transactions, broker-dealers may engage in short sales of the Shares in the course of hedging the positions they assume with Selling Stockholders. The Selling Stockholders may also sell shares short and redeliver the Shares to close out such short positions. The Selling Stockholders may also enter into option or other transactions with broker-dealers which require the delivery to the broker-dealer of the Shares, which the broker-dealer may resell or otherwise transfer pursuant to this Prospectus. The Selling Stockholder may also loan or pledge the Shares to a broker-dealer and the broker-dealer may sell the Shares so loaned or upon a default the broker-dealer may effect sales of the pledged Shares pursuant to this Prospectus.

The Selling Stockholders and any broker-dealers who act in connection with the sale of the Shares hereunder may be deemed to be "underwriters" within the meaning of Section 2(11) of the Securities Act, and any commissions received by them and profit on any resale of the Shares as principal may be deemed to be underwriting discounts and commissions under the Securities Act. The Company has agreed to bear all reasonable expenses (other than broker's commissions and similar charges) in connection with the registration and sale of the Shares being offered by the Selling Stockholders that initially were issued as a result of the Mergers. The Company has agreed to indemnify the Selling Stockholders and any agent, dealer or broker-dealer who acts in connection with the sale of the Shares hereunder that initially were issued as a result of the Mergers against certain liabilities, including liabilities under the Securities Act.

If one or more Selling Stockholders shall propose to sell Shares pursuant to this Prospectus, such Selling Stockholders shall deliver to the Company at least three full trading days prior to such proposed sale a written notice notifying the Company of their intent to sell (including the proposed manner and timing of all sales), and the provision of such notice to the Company shall conclusively be deemed to establish and confirm an agreement by such Selling Stockholders to sell such Shares, in whole, in part or not at all, within a period ending on the tenth trading day following the first such sale and to comply with the other contractual registration provisions. To the extent the Company has not exercised its rights to suspend (as described below), the Company shall provide written notice to each of the other Selling Stockholders regarding the availability of such ten trading day period.

The Company has the right to suspend use of this Prospectus for certain periods of time (which may or may not last for a period of weeks) under certain circumstances. The Company has agreed to use reasonable

efforts to ensure that the Selling Stockholders shall have an aggregate of at least ten trading days (prorated for partial fiscal quarters) under this

Prospectus during each fiscal quarter during the effective period hereof.

Upon the Company being notified by a Selling Stockholder that any material arrangement has been entered into with a broker-dealer for the sale of Shares through a block trade, special offering, exchange distribution or secondary distribution or a purchase by a broker or dealer, a supplement to this Prospectus will be filed, if required, pursuant to Rule 424(b) under the Securities Act, disclosing (i) the name of each such Selling Stockholder and of the participating broker-dealer(s), (ii) the number of Shares involved, (iii) the price at which such Shares were sold, (iv) the commissions paid or discounts or concessions allowed to such broker-dealer(s), where applicable, (v) that such broker-dealer(s) did not conduct any investigation to verify the information set forth or incorporated by reference in this Prospectus, and (vi) other facts material to the transaction. In addition, upon the Company being notified by a Selling Stockholder that a donee or pledgee intends to sell more than 500 Shares, a supplement to this Prospectus will be filed. In addition, to the extent required, the number of the Shares to be sold, purchase prices, public offering prices, the names of any agents, dealers or underwriters, and any applicable commissions or discounts with respect to a particular offer will be set forth by the Company in a supplement to this Prospectus or, if appropriate, a post-effective amendment to the Registration Statement.

Offers or sales of the Shares have not been registered or qualified under the laws of any country other than the United States. To comply with certain states' securities laws, if applicable, the Shares will be offered or sold in such jurisdictions only through registered or licensed brokers or dealers.

Under applicable rules and regulations under the Exchange Act, any person engaged in a distribution of the Shares may be limited in its ability to engage in market activities with respect to such Shares. In addition and without limiting the foregoing, each Selling Stockholder will be subject to applicable provisions of the Exchange Act and the rules and regulations thereunder, which provisions may limit the timing of purchases and sales of any of the Shares by the Selling Stockholders. The foregoing may affect the marketability of the Shares.

There can be no assurance that the Selling Stockholders will sell any or all of the Shares offered by them hereunder.

LEGAL MATTERS

The validity of the Shares offered hereby has been passed on for the Company by Perkins Coie LLP, Seattle, Washington.

EXPERTS

The financial statements of the Company appearing in the Company's Annual Report (Form 10-K) for the year ended December 31, 1997 and the supplemental consolidated financial statements of the Company appearing in the Company's Current Report on Form 8-K filed September 11, 1998, have been audited by Ernst & Young LLP, independent auditors, as set forth in their reports thereon included therein and incorporated herein by reference. Such financial statements and supplemental consolidated financial statements are incorporated herein by reference in reliance upon such reports given upon the authority of such firm as experts in accounting and auditing.

The financial statements of Junglee Corp., incorporated in this Prospectus by reference from the Company's Current Report on Form 8-K filed August 27, 1998, have been audited by Deloitte & Touche LLP, independent auditors, as stated in their report, which is incorporated herein by reference, and have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

NO DEALER, SALESPERSON OR OTHER PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED OR INCORPORATED BY REFERENCE IN THIS PROSPECTUS IN CONNECTION WITH THE OFFERING HEREIN CONTAINED AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED ON AS HAVING BEEN AUTHORIZED BY THE COMPANY. THIS PROSPECTUS DOES

NOT CONSTITUTE AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO BUY, THE SHARES OFFERED HEREBY IN ANY JURISDICTION WHERE, OR TO ANY PERSON TO WHOM, IT IS UNLAWFUL TO MAKE AN OFFER OR SOLICITATION. NEITHER THE DELIVERY OF THIS PROSPECTUS NOR ANY SALE MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE AN IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COMPANY SINCE THE DATE HEREOF OR THAT THE INFORMATION HEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO THE DATE HEREOF.

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AMAZON LOGO

2,662,125 Shares of Common Stock

PROSPECTUS

OCTOBER 26, 1998