Company No 3910627

Dpreview.com Limited

Report and Financial Statements

31 December 2010

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Dpreview.com Limited

DIRECTOR

Michael Deal

SECRETARY

Mitre Secretaries Limited

REGISTERED OFFICE

Patriot Court
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Slough
Berkshire
SL1 1QP

AUDITORS

Ernst & Young LLP
Apex Plaza
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Berkshire
RG1 1YE

BANKERS

HSBC Bank plc
60 Queen Victoria Street
London
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SOLICITORS

Cameron McKenna LLP
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DIRECTOR'S REPORT
for the year ended 31 December 2010

The dırector presents hıs report and financıal statements for the year ended 31 December 2010 for Dprevıew com Lımıted (**"Company"**) The ultımate controllıng entıty ıs Amazon com, Inc , a company ıncorporated ın the Unıted States of Amenca (**"Amazon" or "Group"**)

FINANCIAL RESULTS AND DIVIDENDS

Admınıstratıve expenses were reduced by 29% ın 2010 to $1,426,351 (2009 $1,995,801) and the Company made an operatıng profit for the year of $3,146,800 (2009 $533,493) Thıs ıncluded a gaın on sale of fixed assets of $2,753,317 representıng the transfer of domaın names and ıntellectual property nghts to Amazon Technologıes Inc (2009 $nıl) The operatıng results are stated after a share based payment expense of $196,737 (2009 $499,446)

The Company made an operatıng profit for the year of $3,146,800 (2009 $533,493) The dırectors do not recommend the payment of any dıvıdends (2009 $nıl)

The functıonal currency and the presentatıon currency ıs US dollars whıch ıs the currency of the pnmary economıc envıronment ın whıch the Company operates

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The pnncıpal actıvıty of the Company, up to July 1, 2009 was the maıntenance of a websıte devoted to dıgıtal photography and on-lıne advertısıng sales Wıth effect from July 1, 2009, the Company lıcensed ıts ıntellectual property nghts to another group company, IMDB com Inc , under a royalty arrangement whereby the Company earns a fee for the use of ıts lıcensed content

The key performance ındıcators for the Company, up to July 1, 2009 were advertısıng sales, royalty ıncome and the control of related admınıstratıve expenses From July 1, 2009 to November 1, 2010, the key performance ındıcators for the Company were royalty ıncome and control of admınıstratıve expenses As part of the budgetary process, targets are set wıth respect to admınıstratıve expenses ın order to effectıvely manage the actıvıtıes of the Company Performance ıs revıewed on a regular basıs and appropnate actıons are taken as requıred

Wıth effect from November 1, 2010, the Company sold ıts domaın names and ıntellectual property nghts to another group company, Amazon Technologıes Inc The three remaınıng employees of the company at December 31, 2010 eıther left the company or transferred to other group companıes dunng January 2011 In January 2011, the company entered ınto an agreement wıth the landlord to surrender the lease ıt had entered ınto for office premıses, wıth effect from January 24, 2011

The Dırector has a reasonable expectatıon that the Company has adequate resources to contınue as an operatıonal busıness for the foreseeable future The financıal statements have therefore been prepared on a goıng concern basıs

FUTURE DEVELOPMENTS

The Dırector of the Company ıs presently consıdenng the future pnncıpal actıvıty of the company

PRINCIPAL RISK AND UNCERTAINTIES

The Company ıs dependent on the contınued success of the Amazon com group companıes The pnncıpal nsks and uncertaıntıes the Group faces ınclude, among others, nsks related to competıtıon, management of growth, new products, servıces and technologıes, potentıal fluctuatıons ın operatıng results, ınternatıonal expansıon, outcomes of legal proceedıngs and claıms, seasonalıty, commercıal agreements, acquısıtıons and strategıc transactıons, foreıgn exchange rates, system ınterruptıon, government regulatıon and taxatıon, payments and fraud More ınformatıon about the pnncıpal nsks and uncertaıntıes facıng the group are ıncluded ın Amazon com, Inc 's filıngs wıth the U S Securıtıes and Exchange Commıssıon, ıncludıng ıts Annual Report on Form 10-K for the year ended December 31, 2010, and subsequent filıngs

DIRECTOR'S REPORT (continued)
for the year ended 31 December 2010

FINANCIAL RISK MANAGEMENT

The financial risks facing the Company are broadly grouped as liquidity and credit

Liquidity risk The Company believes it retains sufficient cash to ensure it has funds available for operations

Currency risk Certain liabilities are incurred in pounds sterling, therefore the risk is upon translation to US dollars Operating results may differ from expectations due to currency fluctuations No foreign currency hedging is undertaken locally as the exposure is immaterial to the Amazon Group

DIRECTORS AND THEIR INTERESTS

The directors who served the Company during the year and to the date of this report are as follows

Phillip Askey (resigned June 21, 2010)
Michael Deal
Brian McBride (resigned February 17, 2011)

No directors held any interest in the share capital of the Company during the year

DIRECTORS' LIABILITY

The Company has indemnified one or more of the directors of the Company against liability in respect of proceedings brought by third parties subject to the conditions set out in s234 of the Companies Act 2006 Such qualifying third party indemnity provisions were in force during the year and are in force as at the date of approving the directors' report

DISCLOSURE OF INFORMATION TO AUDITORS

So far as the Director is aware at the date of approving this report, there is no relevant audit information, being information needed by the auditors in connection with preparing their report, of which the auditors are unaware He has taken all the steps that he is obliged to take as the director in order to make himself aware of any relevant audit information and to establish that the auditors are aware of that information

AUDITOR

In accordance with s485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for reappointment of Ernst & Young LLP as auditor of the Company

On behalf of the Board

Michael Deal

Director

Date March 17, 2011

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The Director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations

Company Law requires the director to prepare financial statements for each financial year Under that law the Director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) Under Company Law, the Director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period In preparing those financial statements, the Director is required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business

The Director is responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable him to ensure that the financial statements comply with the Companies Act 2006 He is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DPREVIEW.COM LIMITED

We have audited the financial statements of Dpreview com Limited for the year ended 31 December 2010 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 18 The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors

Scope of the Audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DPREVIEW.COM LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanation we require for our audit

Ernst + Young LLP

Kevin Harkin (Senior Statutory Auditor)

For and on behalf of Ernst & Young LLP, Statutory Auditors

Reading

Date 18 March 2011

PROFIT AND LOSS ACCOUNT
for the year ended 31 December 2010

	Notes	*2010* $	*2009* $
TURNOVER	2	1,819,834	2,529,294
Administrative expenses		(1,426,351)	(1,995,801)
Gain on sale of intangible fixed assets	7	2,753,317	-
		1,326,966	(1,995,801)
OPERATING PROFIT	3	3,146,800	533,493
Bank interest receivable		2,253	1,304
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		3,149,053	534,797
Tax charge on profit on ordinary activities	6	(805,460)	(154,055)
PROFIT FOR THE FINANCIAL YEAR	16	2,343,593	380,742

All amounts above relate to discontinued operations

The Company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses has been prepared

BALANCE SHEET
as at 31 December 2010

	Notes	*2010* $	*2009* $
FIXED ASSETS			
Intangible asset	7	-	8,558
Tangible assets	8	-	139,646
Investment in subsidiary	9	100	100
		100	148,304
CURRENT ASSETS			
Debtors			
amounts falling due within one year	10(a)	14,770	167,479
amounts falling due after one year	10(b)	777	135,274
Cash at bank		8,427,510	4,412,084
		8,443,057	4,714,837
CREDITORS: *amounts falling due within one year*	11	(2,062,095)	(1,022,409)
NET CURRENT ASSETS		6,380,962	3,692,428
NET ASSETS		6,381,062	3,840,732
CAPITAL AND RESERVES			
Called up share capital	15	162	162
Foreign exchange reserve	16	724,784	724,784
Share based awards	16	1,170,689	973,952
Profit and loss account	16	4,485,427	2,141,834
SHAREHOLDERS' FUNDS	16	6,381,062	3,840,732

Approved by the Board

Michael Deal

Michael Deal
Director

Date March 17, 2011
Company Number 3910627

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2010

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention The principal accounting policies which have been continuously followed are set out below

The financial statements contain information about the Company as an individual Company and do not contain consolidated financial information as the parent of a group The Company is exempt under Section 399 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as the ultimate controlling company produces publicly available consolidated accounts including the results of the Company

Turnover

Turnover, which is stated net of value added tax, represents amounts invoiced to other group companies and is attributable to the principal activity of the Company

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the Company is wholly owned and its ultimate parent publishes consolidated financial statements with a cashflow statement incorporating the Company

Investments in Subsidiaries

Investments in subsidiaries are recorded at cost

Tangible fixed assets

All fixed assets are initially recorded at cost Costs comprise the purchase price and any direct costs incurred in bringing the asset to its location and condition for its intended use

Depreciation

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition of each asset evenly over its expected useful life, as follows

Furniture and fixtures	-	5 years
Leasehold improvements	-	Lower of expected useful life or lease term
Desktop computers	-	2 years
Technology infrastructure	-	3 years

The carrying value of tangible fixed assets is reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable

Leases

No assets are held under finance leases Rental payments under operating leases are charged to the profit and loss account on a straight line basis over the term of the lease

Intangible assets

Intangible assets are initially recorded at cost

1. ACCOUNTING POLICIES (continued)

Amortisation

Intangible assets are amortised on a straight line basis over their estimated useful life of 10 years The carrying value of intangible assets is reviewed for impairment at the end of the first full year following acquisition and in other periods if events or changes in circumstances indicate the carrying value may not be recoverable

Foreign currencies

The functional currency and the presentation currency of the Company is US Dollar which is the currency of the primary economic environment in which the Company operates Transactions in foreign currencies are recorded at the exchange rate ruling at the date of transaction Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date All differences are taken to the profit and loss account The exchange rate ruling at 31 December 2010 was US$1 561280 = £1 (2009 US$1 617076 = £1)

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less tax or to receive tax credits, with the exception that deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Pension costs

The Company operates a defined contribution pension scheme Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme

Share-based awards

In accordance with FRS 20, the fair value of equity-settled share-based payments to eligible employees is determined at the date of grant and is expensed over the vesting period based on the Company's estimate of equity awards that will eventually vest A corresponding entry is recognised in equity (further details are set out in note 17)

2. TURNOVER

An analysis of turnover by geographical market is given below

	2010	*2009*
	$	*$*
Overseas sales	1,819,834	2,529,294

3. OPERATING PROFIT

This is stated after charging/(crediting)

	2010	2009
	$	$
Depreciation of tangible fixed assets	61,004	110,975
Loss on sale of tangible fixed assets	51,940	-
Amortization of intangible asset	928	939
Auditor's remuneration - audit of financial statements	9,200	10,960
Operating lease rentals - buildings	81,232	53,173
Net loss/(gain) on foreign currency translation	30,565	(16,222)

4. STAFF COSTS

	2010	2009
	$	$
Salaries	581,976	691,288
Social security costs	56,023	75,322
Staff pension contributions	10,600	12,694
Equity settled share based awards	196,738	499,446
	845,337	1,278,750

The monthly average number of employees during the year was as follows

	No	No
Management and administration staff	8	10

The three remaining employees of the company at December 31, 2010 either left the company or transferred to other group companies during January 2011

5. DIRECTORS' EMOLUMENTS

	2010	*2009*
	$	*$*
Aggregate emoluments in respect of qualifying services	67,264	139,624
Value of Company pension contribution to money purchase scheme	-	-

	2010	*2009*
	No	*No*
Members of money purchase pension scheme	-	-
Directors who received share based awards	1	1
Directors who vested in or exercised share based awards	1	1

Certain directors' emoluments have been borne by the ultimate parent company, Amazon com, Inc, or one of its affiliated companies These directors are also directors or officers of a number of the companies within the Amazon Group These directors' services to the Company do not occupy a significant amount of their time As such these directors do not consider that they have received any remuneration for their incidental services to the Company for the years ended December 31, 2010 and December 31, 2009

6. TAXATION

(a) Tax on profit on ordinary activities

The tax charge is made up as follows

Current tax	*2010*	*2009*
	$	*$*
UK corporation tax	706,442	238,775
Adjustment in respect of previous periods	(31,952)	(7,817)
Total current tax charge (note 7(b))	674,490	230,958
Deferred tax		
Current year	126,265	(70,234)
Rate change adjustment	4,705	-
Adjustment in respect of previous periods	-	(6,669)
Total deferred tax charge/(credit) (note 7(c))	130,970	(76,903)
Tax charge on the profit on ordinary activities	805,460	154,055

6. TAXATION (continued)

(b) Factors affectıng current tax charge

The tax assessed on the profit on ordınary actıvıtıes for the year ıs dıfferent than the standard rate of corporatıon tax ın the UK of 28% (2009 28%) The dıfferences are reconcıled below

	2010	2009
	$	$
Profit on ordınary actıvıtıes before taxatıon	3,149,053	534,797
Profit on ordınary actıvıtıes multıplıed by effectıve rate of corporatıon tax of 28% (2009 28%)	881,734	149,742
Tımıng dıfferences on capıtal allowance claıms	(9,417)	18,607
Expenses not deductıble for tax	3,484	59
Tımıng dıfferences on share based awards	(169,359)	70,367
Adjustment ın respect of prıor years	(31,952)	(7,817)
Total current tax charge (note 6(a))	674,490	230,958

(c) Deferred tax

The deferred tax asset recognısed ın the financıal statements ıs as follows

	$	$
Capıtal allowances ın advance of deprecıatıon	-	14,706
Tımıng dıfferences on share based awards	777	120,568
Total deferred tax asset recognısed ın the financıal statements	777	135,274

	$
Deferred tax asset at 1 January 2010	135,274
Rate change adjustment	(4,705)
Foreıgn exchange on openıng balance	(3,527)
Deferred tax charge for the year	(126,265)
Deferred tax asset at 31 December 2010	777

In hıs Budget of 22 June 2010, the Chancellor of the Exchequer announced Budget tax changes, whıch, ıf enacted ın the proposed manner, wıll have an effect on the company's future tax posıtıon The budget proposed a decrease ın the rate of UK corporatıon tax from 28% to 24% by 1% each year, from Aprıl 2011, whıch wıll be enacted annually, ın separate Fınance Acts ın each of the four years Thıs reductıon wıll affect both the future and current tax charge of the Company

The effect on the company of these proposed changes to the UK tax system wıll be reflected ın the Company's financıal statements ın future years, as approprıate, once the proposals have been substantıvely enacted

The Fınance Bıll 2010 whıch ıncluded the reductıon ın the UK corporatıon tax rate to 27% was substantıally enacted on 21 July 2010 therefore deferred tax assets and lıabılıtıes as at 31 December 2010 have been calculated at thıs rate

Further from 1 Aprıl 2012, there wıll be a 2% reductıon ın the rates of capıtal allowances, the maın rate pool goıng down from 20% to 18% and the specıal rate pool from 10% to 8%

7. INTANGIBLE ASSET

Intangible asset represents the Company's domain name (www dpreview com)

	Domain Name
Cost	£
At 1 January 2010	11,912
Transfer to other group companies	(11,912)
As at 31 December 2010	-
Amortisation	
At 1 January 2010	3,354
Provided during the year	928
Transfer to other group companies	(4,282)
At 31 December 2010	-
Net book value	
At 31 December 2010	-
At 1 January 2010	8,558

The intangible assets were being amortised over their expected life of 10 years On November 1, 2010 the Company sold its domain names and intellectual property to an associate company, Amazon Technologies, Inc at a gain on sale of $2,753,317

8. TANGIBLE ASSETS

	Furniture & Fixtures	Leasehold Improvements	Desktop Computers	Technology Infrastructure	Total
	$	$	$	$	$
Cost					
At 1 January 2010	30,798	102,300	39,096	194,984	367,178
Disposals	(30,798)	(102,300)	(39,096)	(194,984)	(367,178)
At 31 December 2010	-	-	-	-	-
Depreciation					
At 1 January 2010	15,033	42,642	39,096	130,761	227,532
Provided during the year	3,981	13,223	-	43,800	61,004
Disposals	(19,014)	(55,865)	(39,096)	(174,561)	(289,536)
At 31 December 2010	-	-	-	-	-
Net book value					
At 31 December 2010	-	-	-	-	-
At 1 January 2010	15,765	59,658	-	64,223	139,646

9. INVESTMENT IN SUBSIDIARY

Name of Company	*Country*	*Holding*	*Proportion of voting rights and shares held*	*Nature of business*
Dpreview com (BVI) Limited	British Virgin Islands	Ordinary Shares	100%	To hold domain names

	Subsidiary Undertaking $
Cost and net book value as at 1 January 2010 and 31 December 2010	100

The results of the subsidiary are included in the consolidated financial statements of Amazon com Inc

10. DEBTORS

	2010 $	*2009* $
10(a) Amounts falling due within one year		
Trade debtors	-	60,041
Amounts owed by group undertakings	-	35,186
Corporation tax	13,174	-
Prepayments	-	47,418
Other taxation	1,596	16,779
Other debtors	-	8,055
	14,770	167,479
10(b) Amounts falling due after one year		
Deferred tax asset	777	135,274

11. CREDITORS

	2010 $	*2009* $
Amounts falling due within one year		
Amounts owed to group undertakings	1,951,408	653,210
Corporation tax	-	223,123
Other taxation and social security	22,764	31,208
Other creditors	87,923	114,868
	2,062,095	1,022,409

12. COMMITMENTS UNDER OPERATING LEASES

Annual commitments under non cancellable operating leases are as follows

	2010 Land and buildings	2009 Land and buildings
	$	$
Operating lease which expire		
In over five years	-	53,266
	-	53,266

The above lease was terminated in January 2011 The surrender costs were paid and expensed in 2010

13. RELATED PARTY TRANSACTIONS

In accordance with the exemption stated in FRS 8, no details are shown of related party transactions with the Company's parent and fellow subsidiaries as they are wholly owned subsidiaries of the Amazon group

14. ULTIMATE PARENT COMPANY

The immediate parent company is Amazon EU Sarl which is incorporated in Luxembourg The address of this company is 5 rue Plaetis, L-2338 Luxembourg , Luxembourg

The Company regards Amazon com, Inc, a company incorporated in the United States, as its ultimate holding company The largest and the smallest group in which the results of the Company are consolidated is headed by Amazon com, Inc Copies of the group financial statements of Amazon com, Inc are available at 440 Terry Avenue North, Seattle, WA 98109-5210, USA

15. SHARE CAPITAL

		2010		2009
	No	$	No	$
Authorised				
Ordinary shares of £1 each ($1 62 USD)	1,000	1,620	1,000	1,620

		2010		2009
	No	$	No	$
Allotted, called up and fully paid				
Ordinary shares of £1 each ($1 62 USD)	100	162	100	162

16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Share capital $	*Share based awards* $	*Foreign exchange reserve* $	*Profit and loss account* $	*Total shareholders' fund* $
At 1 January 2009	162	474,506	724,784	1,761,092	2,960,544
Profit for the year	-	-	-	380,742	380,742
Share based awards	-	499,446	-	-	499,446
At 31 December 2009	162	973,952	724,784	2,141,834	3,840,732
Profit for the year	-	-	-	2,343,593	2,343,593
Share based awards	-	196,737	-	-	196,737
At 31 December 2010	162	1,170,689	724,784	4,485,427	6,381,062

17. SHARE BASED AWARD PLANS

Amazon com, Inc ("Amazon") may grant equity awards to employees, officers and directors of Amazon and its subsidiaries which include Dpreview com Limited, as well as to consultants, agents, advisors and independent contractors, pursuant to Amazon's 1997 Stock Incentive Plan (the "1997 Plan") and Amazon's 1999 Nonofficer Employee Stock Option Plan (the "1999 Plan") Amazon may grant equity awards in the form of stock options, stock, or restricted stock units ("RSUs") Equity awards are evidenced by, and subject to the terms and conditions of, an agreement between the recipient and Amazon, as well as the terms and conditions of the applicable plan (and, where applicable, sub-plans in jurisdictions where local tax law or other regulations merit their adoption, such as in the U K) The following paragraphs describe the terms and conditions generally applicable to equity awards granted by Amazon under the 1997 and 1999 Plans

During 2010 and 2009, RSUs were the primary type of equity award granted RSUs are granted from the 1997 Plan RSUs represent the right to receive shares of common stock of Amazon, on a one-for-one basis, upon vesting There is no exercise price associated with an RSU Employees vest in RSUs over a specified course of time that the employee provides service to Amazon or one or more of its subsidiaries Typically, the service terms for vesting are between two and five years

Unvested portions of equity awards are subject to forfeiture if the holder's employment or other service relationship with Amazon (including its subsidiaries) terminates

Amazon has only granted RSU's which are valued at the average of the high and low share price on the date of grant

The expense recognised for share based awards in respect of employee services received during the year to 31 December 2010 was $196,737 (2009 $499,446)

17. SHARE BASED AWARD PLANS (continued)

Details of unvested stock (restricted stock units) awarded to employees are set out below

	2010		2009	
		Weighted Avg Share Price at grant date		*Weighted Avg Share Price at grant date*
RSU's	*Number*	*$*	*Number*	*$*
Outstanding at the beginning of the year	9,426	70 41	12,448	68 18
Granted during the year	2,595	146 89	2,762	72 82
Forfeited during the year	(1,110)	73 4	(1,409)	58 59
Vested during the year [1]	(5,000)	71 65	(4,375)	69 40
Transfers out	(2,240)	64 52	-	-
Outstanding at the end of the year	3,671	125 48	9,426	70 41

Scheduled vesting for outstanding restricted stock units as at December 31, 2010 was as follows

	2011	2012	2013	2014	Total
Scheduled vesting	1,851	1,610	140	70	3,671

The three remaining employees of the company at December 31, 2010 all either left the company or transferred to other group companies during January 2011 Accordingly the outstanding restricted stock units held by these employees were either transferred to other group companies or cancelled in January 2011

[1] The weighted average share price at the date of share based awards vesting was $138 87 (2009 $84 82)

18. POST BALANCE SHEET EVENTS

The three remaining employees of the company at December 31, 2010 all either left the company or transferred to other group companies during January 2011 In January 2011, the company entered into an agreement with the landlord to surrender the lease it had entered into for office premises, with effect from January 24, 2011