

An aerial photograph of Monument Valley, showing several prominent buttes under a cloudy sky. The terrain is arid and reddish-brown. A white rectangular frame is centered on the image, containing text and the Wix.com logo.

First Quarter 2016

Wix.com

Earnings Results

Safe Harbor

Forward-Looking Statements

This presentation contains forward-looking statements, within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 that involve risks and uncertainties. Such forward-looking statements may include projections regarding our future performance and may be identified by words like “anticipate,” “assume,” “believe,” “continue,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “outlook,” “future,” “will,” “seek” and similar terms or phrases. The forward-looking statements contained in this presentation are based on management’s current expectations, which are subject to uncertainty, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Important factors that could cause our actual results to differ materially from those indicated in the forward-looking statements include, among others, our ability to grow our user base and premium subscriptions; our ability to maintain and enhance our brand and reputation; our ability to manage the growth of our infrastructure effectively; changes to technologies used in our solutions or in global, national, regional or local economic, business, competitive, market, regulatory and other factors discussed under the heading “Risk Factors” in the company’s annual report on Form 20-F filed with the Securities and Exchange Commission on April 16, 2016. Any forward-looking statement made by us in this presentation speaks only as of the date hereof. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future developments or otherwise.

Non-GAAP Financial Measures

To supplement its consolidated financial statements, which are prepared and presented in accordance with U.S. GAAP, Wix uses the following non-GAAP financial measures: Collections, Collection and Revenue on a constant currency basis, adjusted EBITDA, free cash flow, non-GAAP net loss and non-GAAP net loss per share (collectively the “non-GAAP financial measures”). Collections represents the total cash collected by us from our customers in a given period and is calculated by adding the change in deferred revenues for a particular period to revenues for the same period. We adjust collections and revenue to measure them on a constant basis by assuming the same exchange rates as the prior period applied to the reported figures in the current period. Adjusted EBITDA is defined as net profit or loss before interest, bank charges and other financial expenses (income), net unrealized losses (gains) on hedging transactions, other expenses, taxes on income, depreciation amortization, and other unusual or non-recurring expenses, share-based compensation expense and including the effect of the changes in deferred revenue and prepaid domain registration costs. Free cash flow is defined as net cash provided by (used in) operating activities less capital expenditures. Non-GAAP net loss represents net loss calculated in accordance with GAAP as adjusted for the impact of share-based compensation expense and other non-GAAP adjustments. Non-GAAP net loss per share represents non-GAAP net loss divided by the weighted average number of shares used in computing GAAP loss per share.

The presentation of this financial information is not intended to be considered in isolation or as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP. The company uses these non-GAAP financial measures for financial and operational decision making and as a means to evaluate period-to-period comparisons. The company believes that it provides useful information about operating results and net cash flow of the company, enhances the overall understanding of past financial performance and future prospects, and allows for greater transparency with respect to key metrics used by management in its financial and operational decision making.

For more information on the non-GAAP financial measures, please see the “Reconciliation of GAAP to Non-GAAP Financial Measures” table in this presentation. This accompanying table has more details on the GAAP financial measures that are most directly comparable to non-GAAP financial measures and the related reconciliations between these financial measures. The company has not reconciled adjusted EBITDA guidance to net profit because it does not provide guidance for net profit. As items that impact net profit are out of the company’s control and/or cannot be reasonably predicted, the company is unable to provide such guidance. Accordingly, a reconciliation to net profit is not available without unreasonable effort.

Certain data in this presentation was obtained from various external sources, and the company has not verified such data with independent sources. Accordingly, the company makes no representation as to the accuracy or completeness of that data or to update such data after the date hereof. Such data involves risks and uncertainties and is subject to change based on various factors.

The trademarks included herein are the property of the owners thereof and are used for reference purposes only. Such use should not be construed as an endorsement of the products or services of the company.

Key Metrics: Q1 2016



\$77.5 Million

Collections –
Constant Currency¹



\$61.6 Million

GAAP
Revenue



82 Million

Registered
Users



1.9 Million

Premium
Subscriptions

¹Based on constant FX rates from 1Q 2015; \$75.7 million reported collections

Q1 2016 Highlights

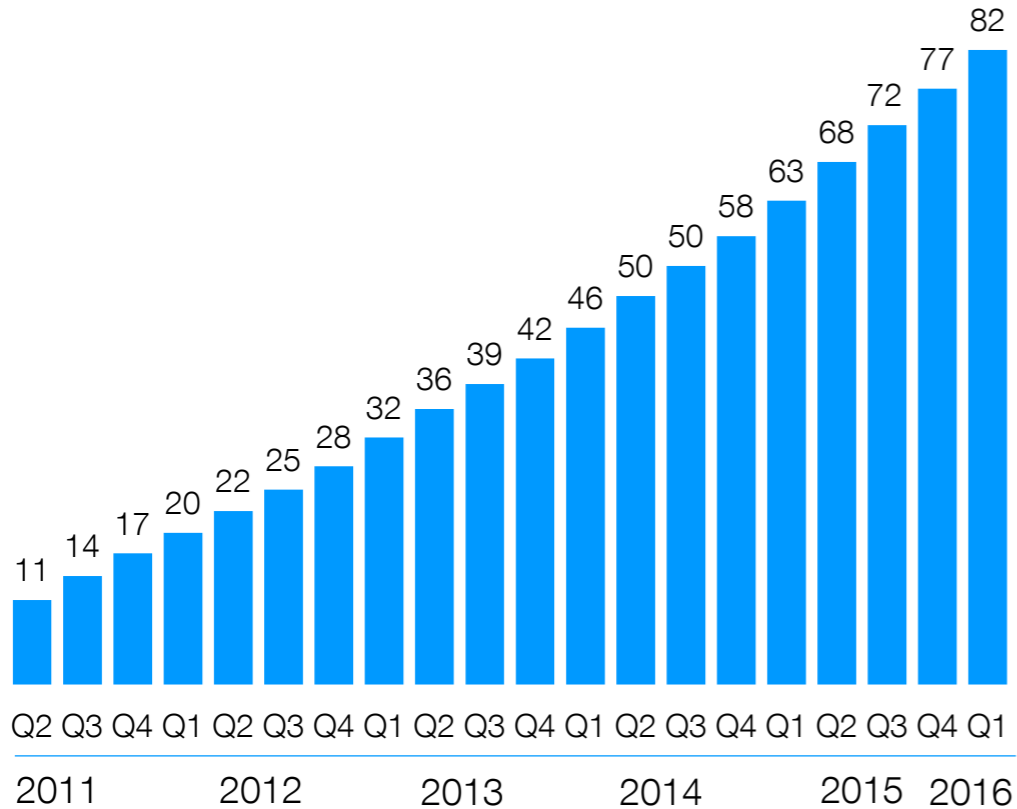
- Collections of \$77.5mm, 39% Y/Y growth on a Y/Y constant currency basis, **exceeding prior guidance** of \$74-75mm; reported collections of \$75.7mm, 35% Y/Y growth
- GAAP revenue of \$61.6mm, 38% Y/Y growth, **exceeding prior guidance** of \$60-61 million
- **Net premium subscription growth of 170,000**
- Adjusted EBITDA of \$2.7mm, **exceeding prior guidance** of \$1-2mm
- Non-GAAP gross margin up Y/Y to 84% compared to 83% in Q1 2015
- **Launched Wix Restaurants:** Online order management service to enable restaurant owners to build and manage their business without relying on commission-based food ordering marketplaces
- **Awarded Google Apps Online Partner of the Year for second consecutive year:** Wix was recognized by Google for Work for our efforts in promoting and marketing Google Apps through the Wix platform
- **Successful partnership with City Football Group:** As the official Website Design & Hosting partner for City Football Group Wix will leverage branding and sponsorship opportunities with Manchester City FC, New York City FC and Melbourne City FC.
- **Continued mobile growth:** Over 15.7 million mobile sites created on the Wix platform to date
- **Significant platform engagement:** To date, users have saved over 290 million contacts onto the Wix platform

Users and Subscriptions

Registered Users

(Millions, at End of Period)

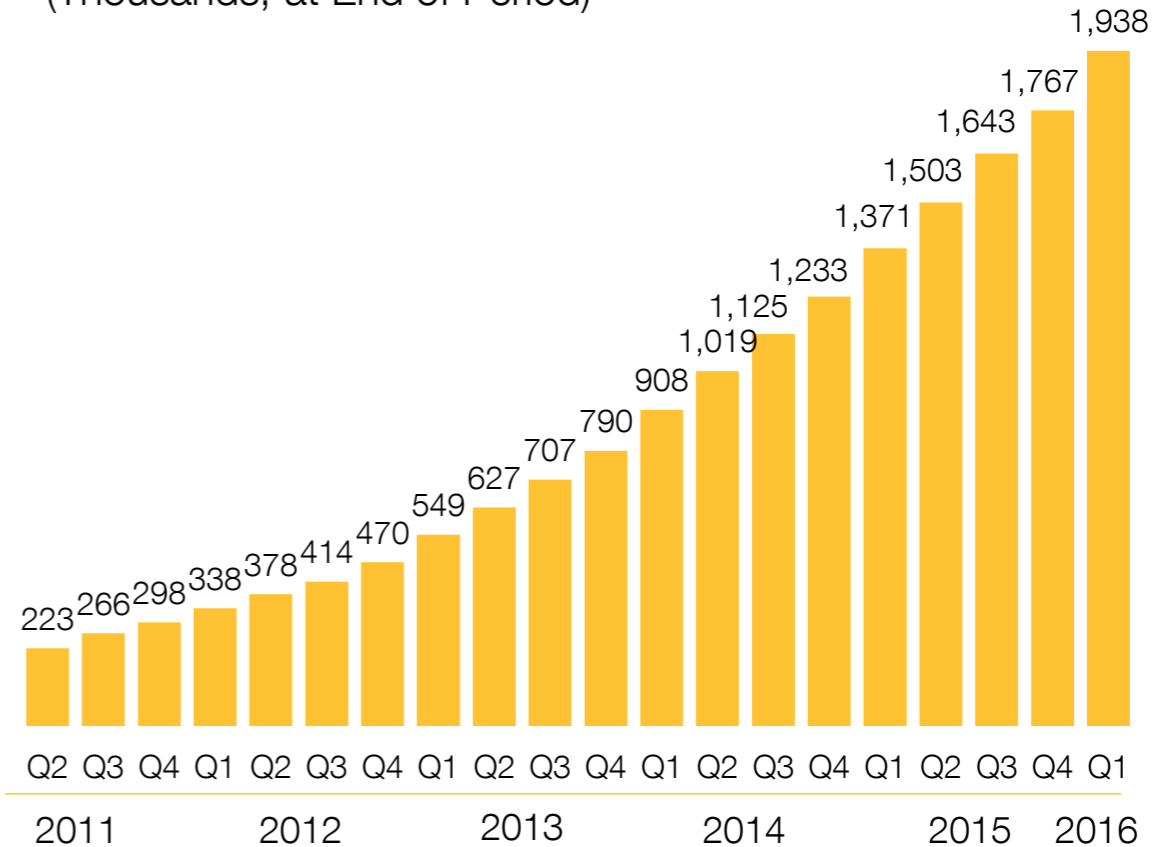
32%
Y/Y



Premium Subscriptions

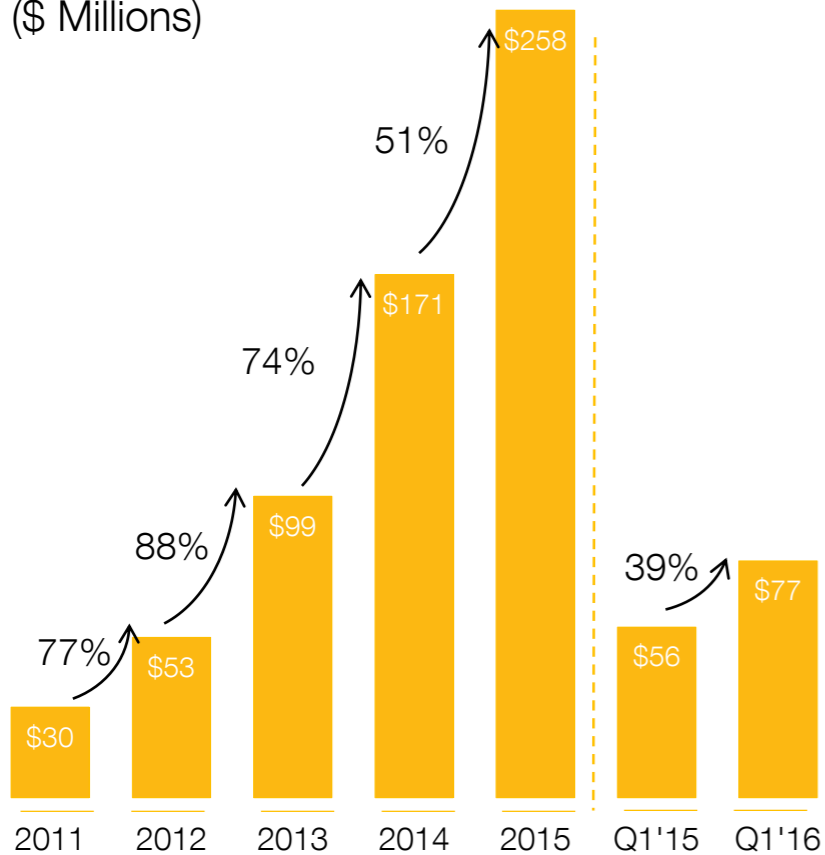
(Thousands, at End of Period)

41%
Y/Y

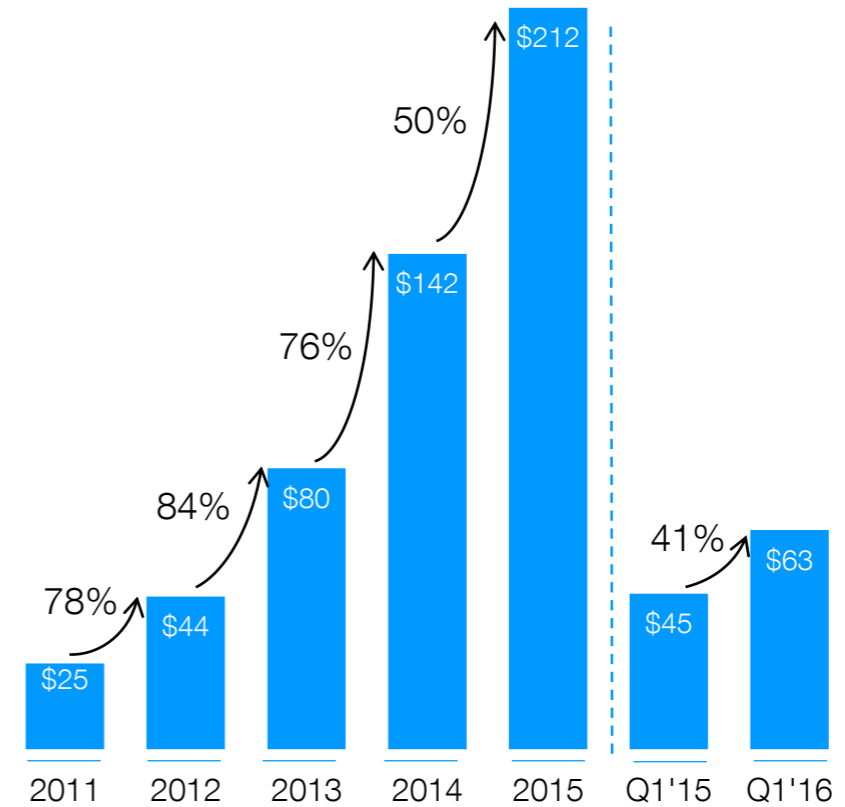


Constant Currency - Collections and Revenues

Collections
(\$ Millions)



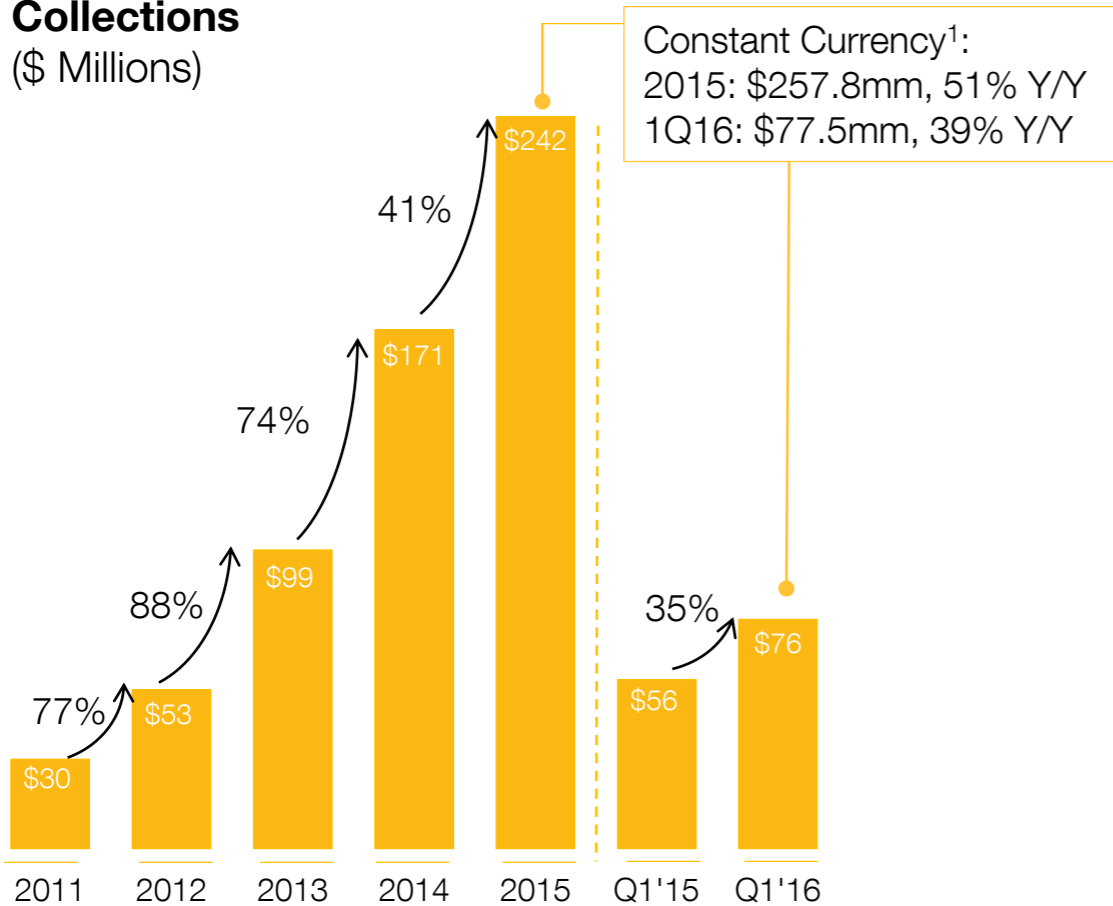
Revenues
(\$ Millions)



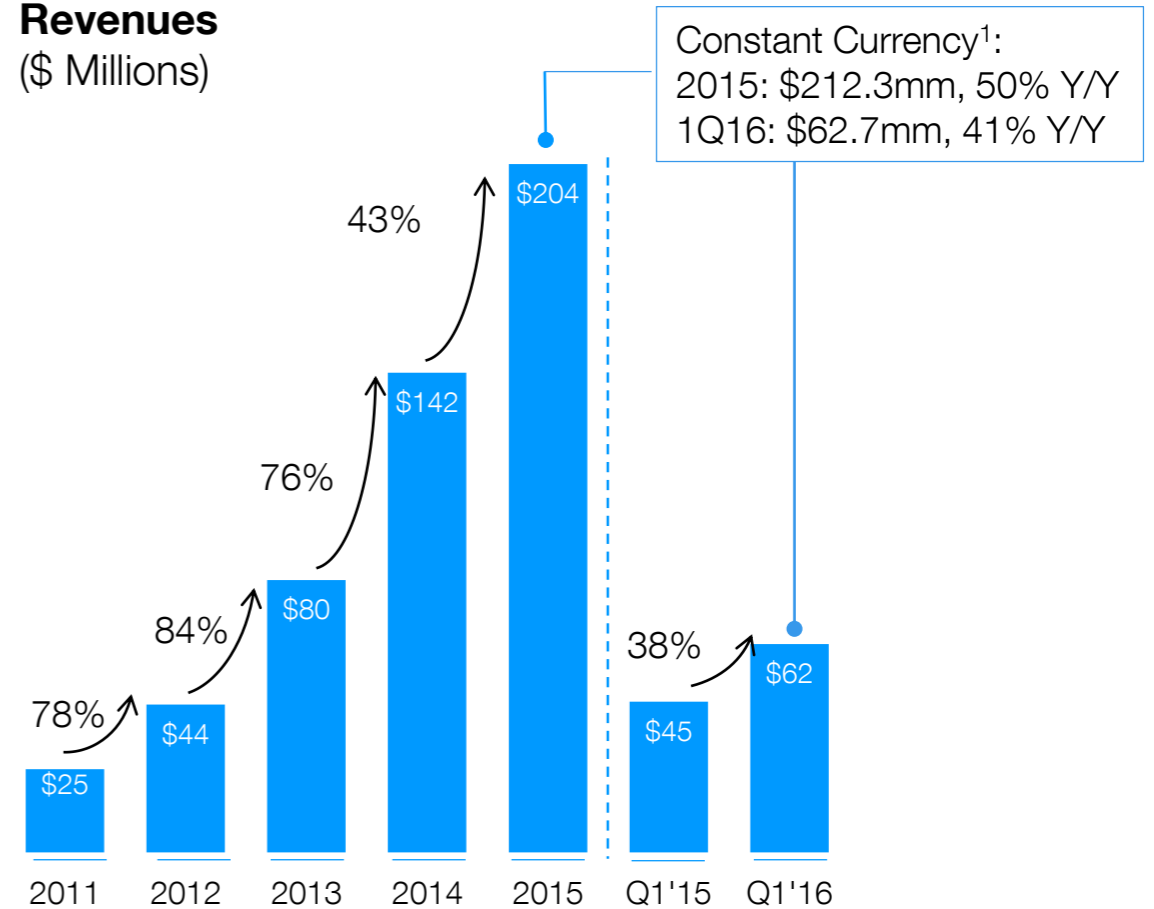
¹Assumes constant FX rates from Q1'15 to Q1'16 and full year 2014 to full year 2015

Reported - Collections and Revenues

Collections (\$ Millions)



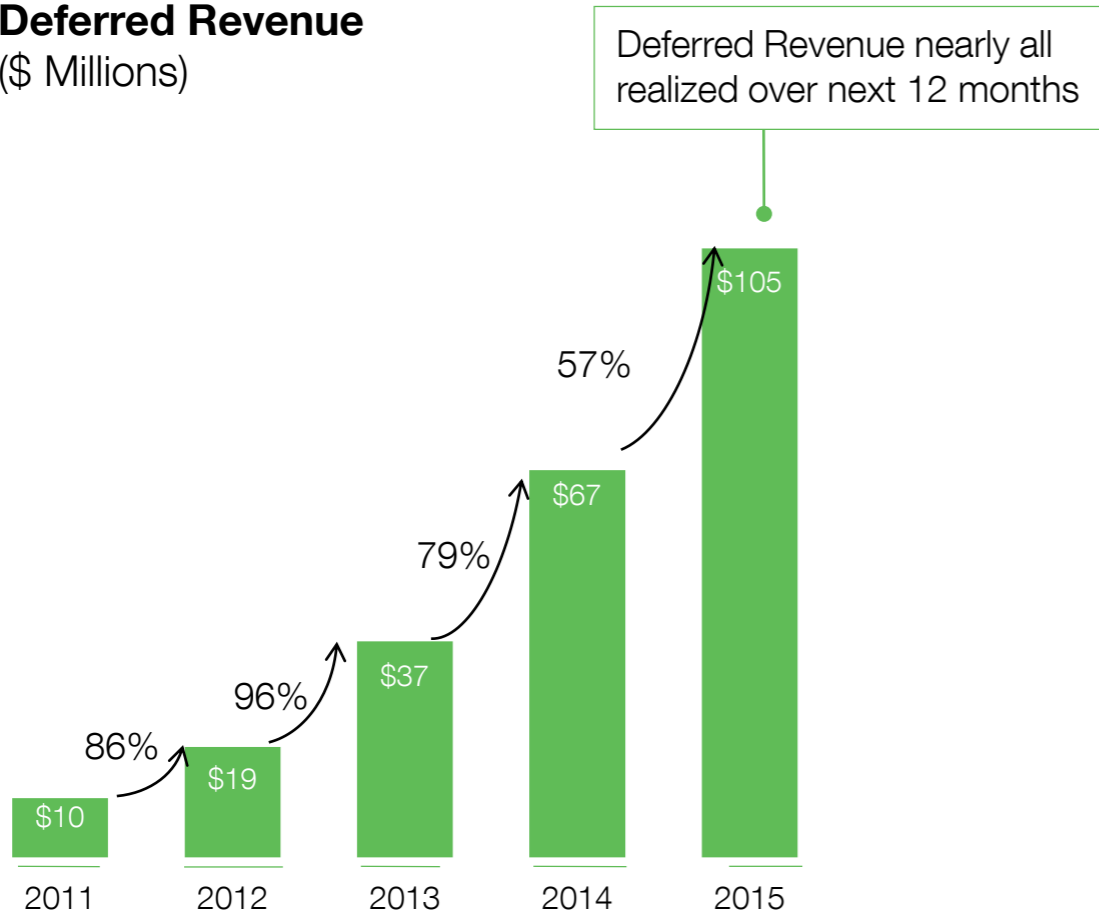
Revenues (\$ Millions)



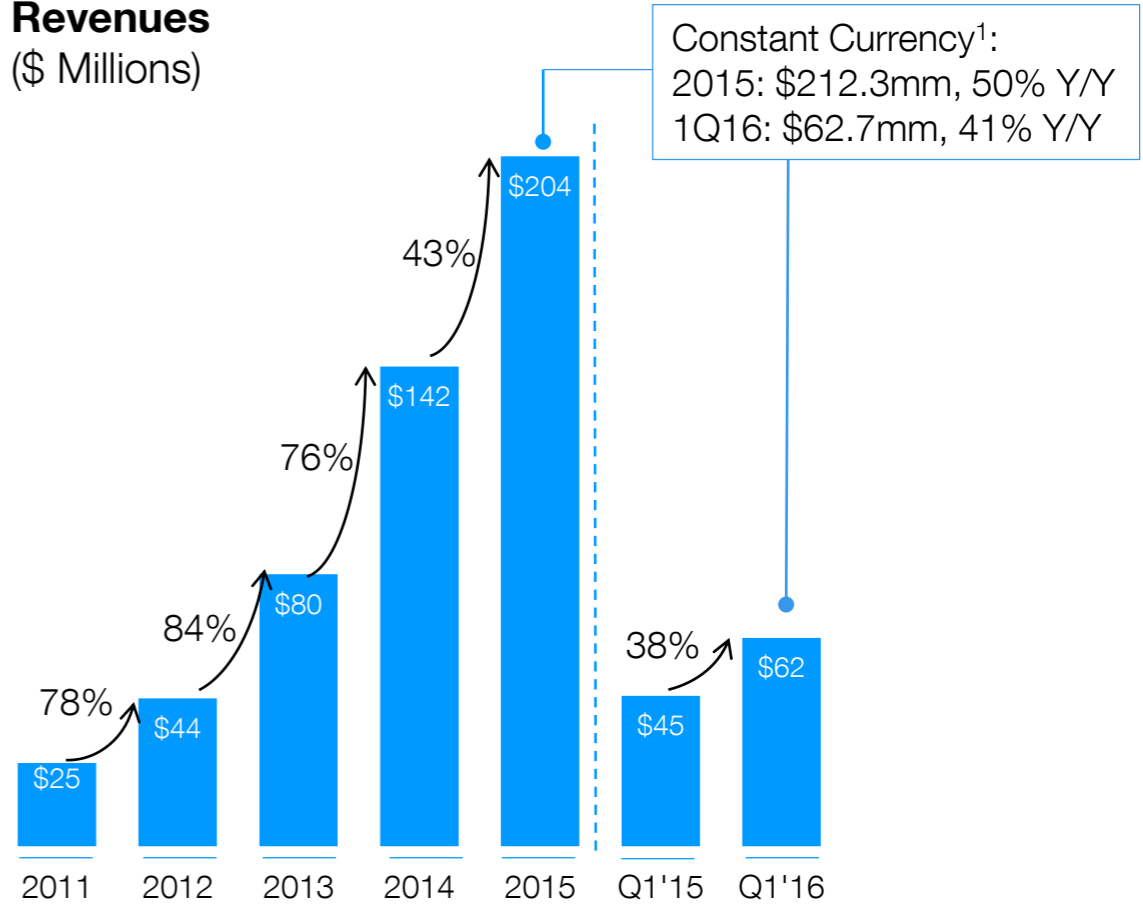
¹Assumes constant FX rates from Q1'15 to Q1'16 and full year 2014 to full year 2015

Deferred Revenue Growth

Deferred Revenue
(\$ Millions)



Revenues
(\$ Millions)



¹Assumes constant FX rates from Q1'15 to Q1'16 and full year 2014 to full year 2015

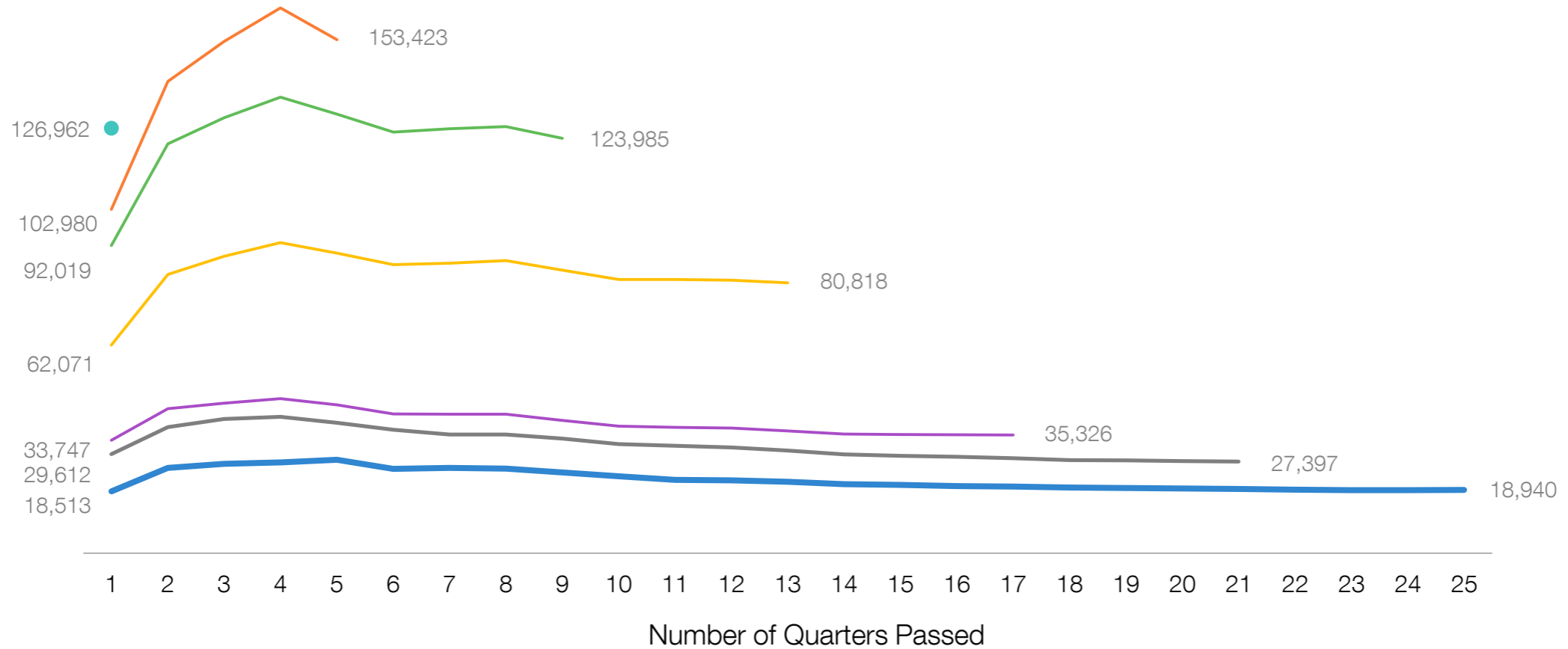
Consistent Behavior

Active Premium Subscriptions from Q1 User Cohorts

New Registered Users

↓

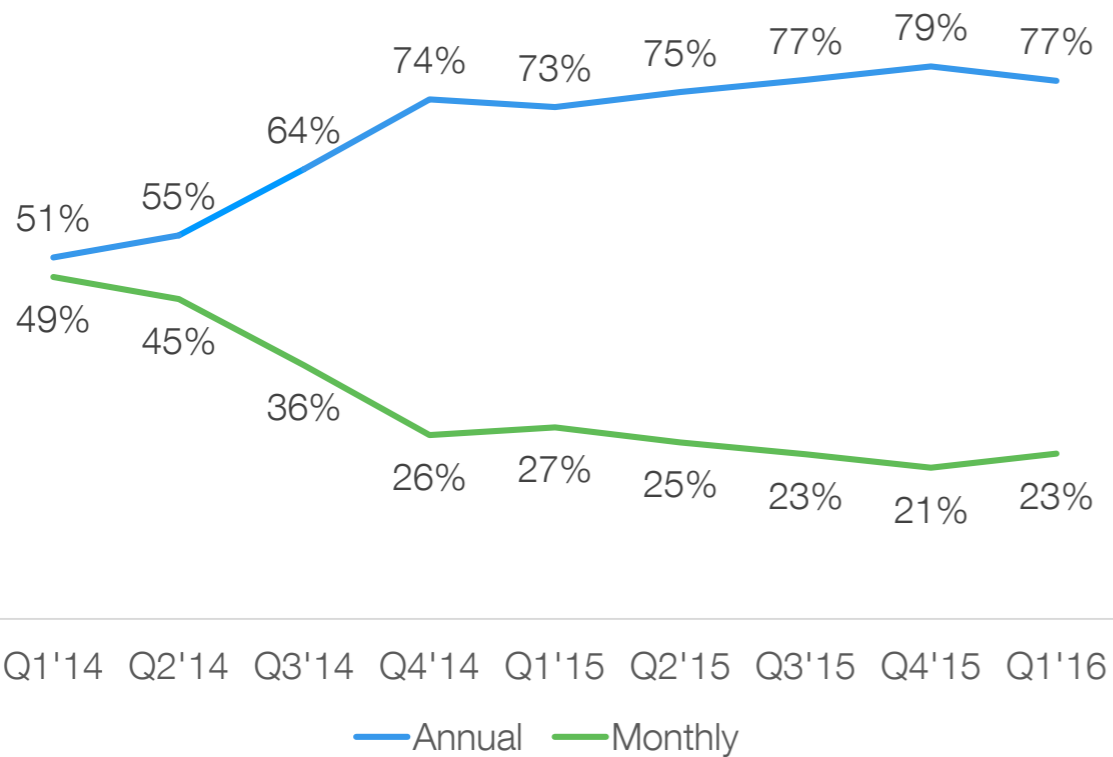
1Q16	5,305,726
1Q15	4,568,323
1Q14	4,089,253
1Q13	3,714,472
1Q12	2,651,656
1Q11	1,833,897
1Q10	919,221



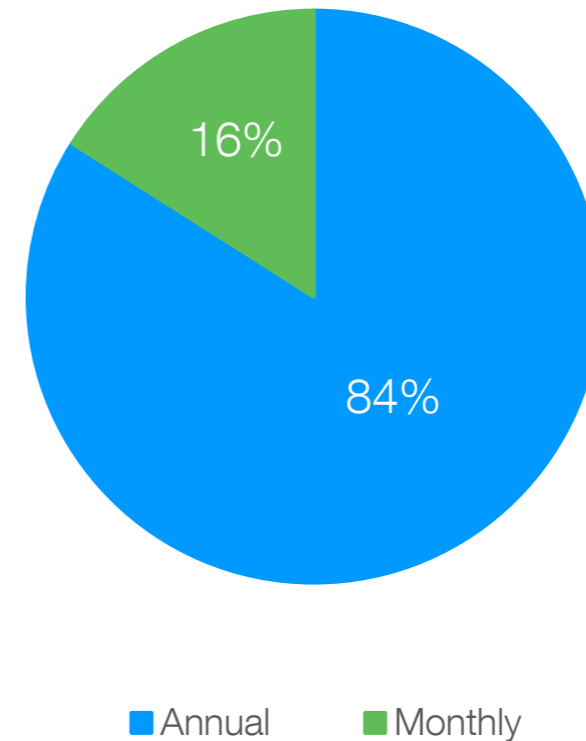
Note: Data as of March 31, 2016

Shift to Annual Subscriptions

% of New Subscriptions



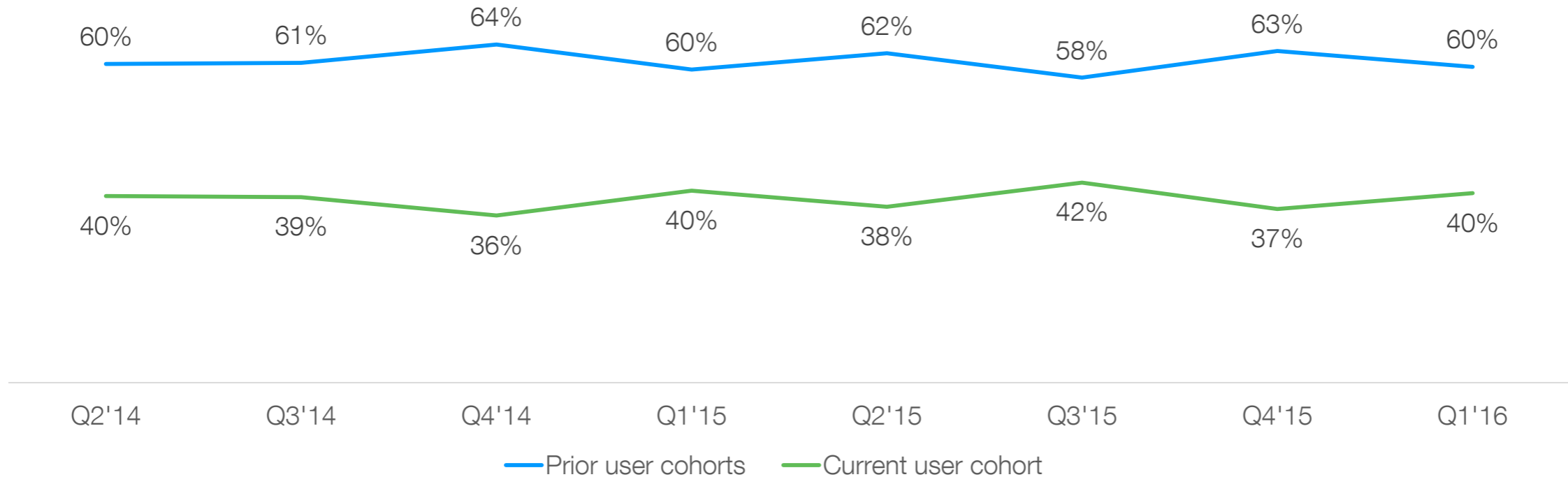
% of Total Subscriptions



Note: Data as of March 31, 2016

Ongoing Cohort Conversions

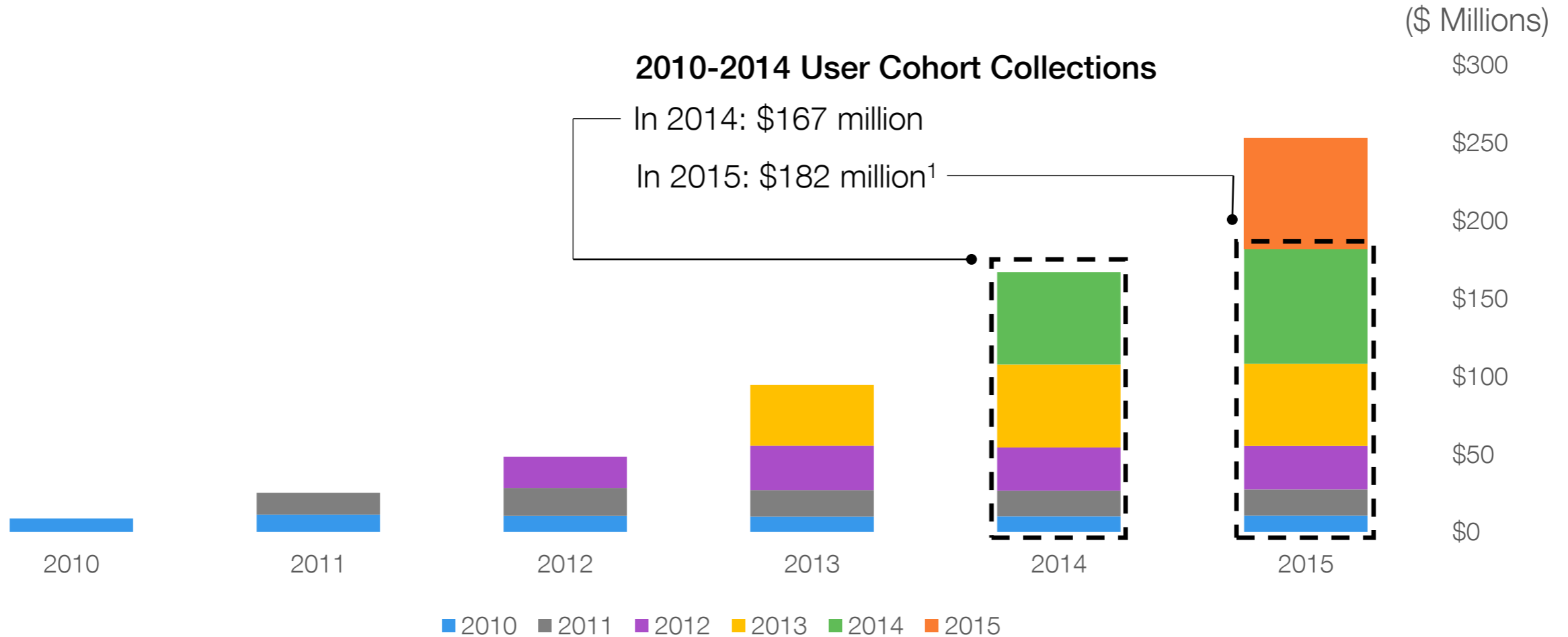
% of New Subscriptions by Prior and Current User Cohorts



Note: Data as of March 31, 2016

Growing Base of Cohort Collections

Annual collections by user cohort

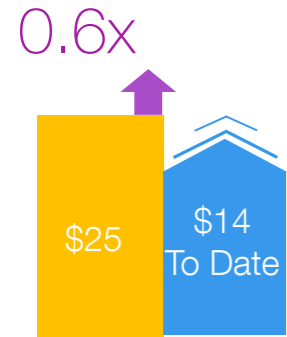


¹2015 collections are constant currency assuming FX rates remained the same as in 2014

Marketing Efficiency

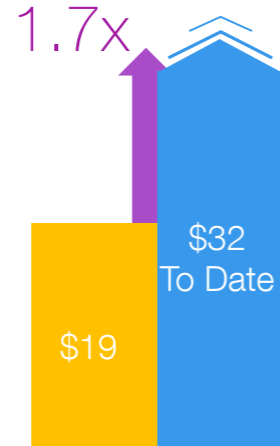
One Time Marketing, Ongoing Monthly Collections

... After 1 Quarter



Q1'16 Cohort¹

... After 5 Quarters



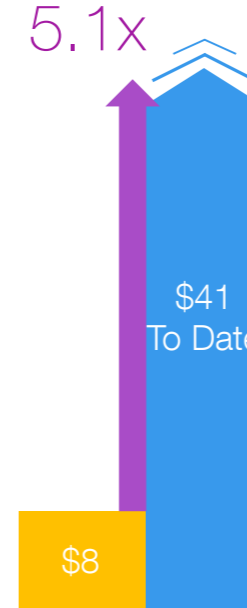
Q1'15 Cohort¹

... After 9 Quarters



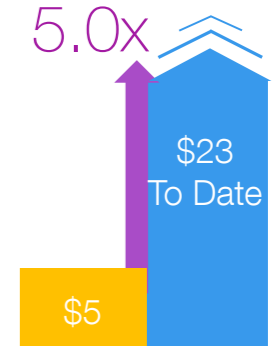
Q1'14 Cohort

... After 13 Quarters



Q1'13 Cohort

... After 17 Quarters



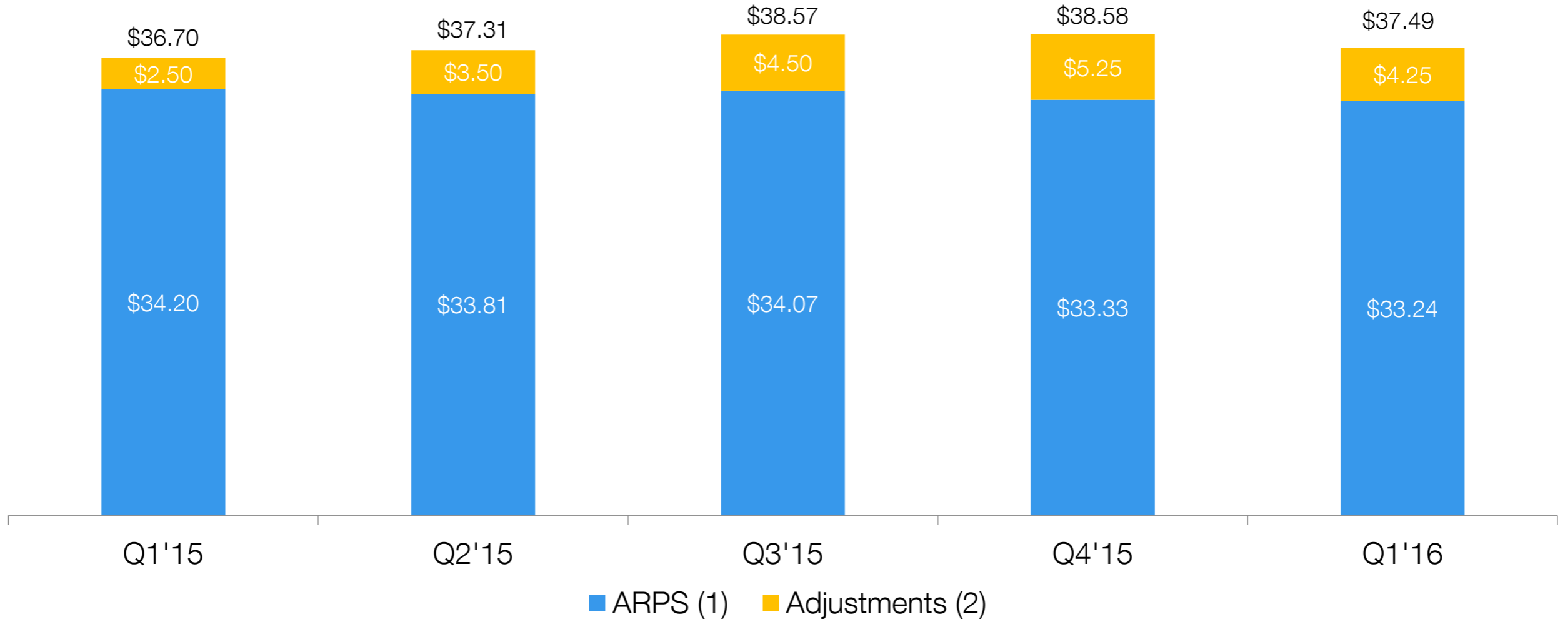
Q1'12 Cohort

Marketing Cost (\$mm) Cohort Net Collections (\$mm)

Note: Data as of March 31, 2016

¹Excludes ~\$6 million in Q1'15 and ~\$7 million in Q1'16 for brand marketing expenses

Increasing Revenue per Subscription

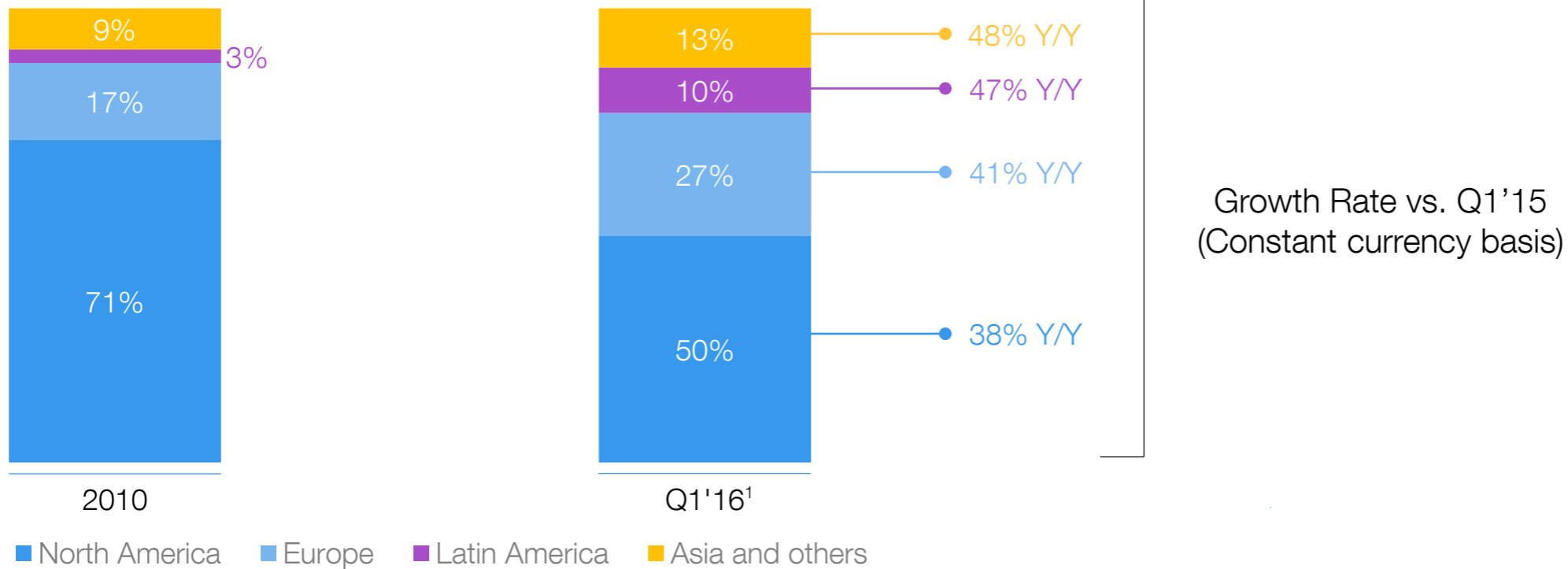


(1) ARPS = current period GAAP revenue / average of ending premium subscriptions in current quarter and ending premium subscriptions in prior quarter

(2) Adjustments for year-over-year constant currency and estimated adjustments for annual mix shift, assuming 56% (equal to Q2 2014) of new subscriptions in quarter are annual in each period beginning Q3 2014

Increasing Geographic Penetration

Revenue by Geography
(% of Total)



¹Revenue by Geography and % Y/Y change based on constant FX rates from Q1'15

Overview of FX Impact

(in thousands)	Q1 '15	Q1 '16	Y/Y%
Collections	\$55,869	\$75,694	
F/X impact on Q1'16 using Q1'15 rates	-	1,790	
Collections excluding FX impact	\$55,869	\$77,484	39%

(in thousands)	Q4 '15	Q1 '16	Q/Q%
Collections	\$66,870	\$75,694	
F/X impact on Q1'16 using Q4'15 rates	-	131	
Collections excluding FX impact	\$66,870	\$75,825	13%

Non GAAP Financial Results

(in thousands)	2011	2012	2013	2014	2015	Q1 '15	Q1 '16	Y/Y%
Collections	\$29,648	\$52,479	\$98,673	\$171,255	\$241,687	\$49,279	\$75,694	35%
Revenues	\$24,600	\$43,676	\$80,473	\$141,841	\$203,518	\$44,524	\$61,586	38%
<i>Gross Margin %</i>	<i>79%</i>	<i>79%</i>	<i>82%</i>	<i>82%</i>	<i>83%</i>	<i>83%</i>	<i>84%</i>	
R&D expenses	\$12,807	\$16,229	\$26,511	\$51,120	\$67,977	\$15,384	\$20,041	30%
<i>% of revenues</i>	<i>52%</i>	<i>37%</i>	<i>33%</i>	<i>36%</i>	<i>33%</i>	<i>35%</i>	<i>33%</i>	
S&M expenses	\$21,364	\$28,956	\$52,591	\$95,173	\$116,733	\$31,357	\$39,423	26%
<i>% of revenues</i>	<i>87%</i>	<i>66%</i>	<i>65%</i>	<i>67%</i>	<i>57%</i>	<i>70%</i>	<i>64%</i>	
<i>% of collections</i>	<i>73%</i>	<i>55%</i>	<i>53%</i>	<i>56%</i>	<i>48%</i>	<i>56%</i>	<i>52%</i>	
G&A expenses	\$2,806	\$3,304	\$6,077	\$11,569	\$14,458	\$3,329	\$4,304	27%
<i>% of revenues</i>	<i>11%</i>	<i>8%</i>	<i>8%</i>	<i>8%</i>	<i>7%</i>	<i>8%</i>	<i>7%</i>	
Adjusted EBITDA	(\$12,457)	(\$5,354)	(\$1,897)	(\$11,260)	\$14,721	(\$493)	\$2,664	N/M
<i>% of revenues</i>	<i>(50%)</i>	<i>(12%)</i>	<i>(2%)</i>	<i>(8%)</i>	<i>7%</i>	<i>(1%)</i>	<i>4%</i>	
Net Loss	(\$17,923)	(\$13,718)	(\$20,953)	(\$40,247)	(\$31,354)	(\$9,604)	(\$5,397)	N/M

APPENDIX

Reconciliation of GAAP to Non-GAAP

(in thousands)	2011	2012	2013	2014	2015	Q1 '15	Q1 '16
Revenues	\$24,600	\$43,676	\$80,473	\$141,841	\$203,518	\$44,524	\$61,586
Change in Deferred Revenues	5,048	\$8,803	\$18,200	\$29,414	\$38,169	\$11,345	\$14,108
Collections	29,648	\$52,479	\$98,673	\$171,255	\$241,687	\$55,869	\$75,694

Reconciliation of GAAP to Non-GAAP

(in thousands)	2011	2012	2013	2014	2015	Q1 '15	Q1 '16
GAAP Net Loss	(\$22,740)	(\$14,972)	(\$28,720)	(\$56,566)	(\$51,334)	(\$16,026)	(\$19,912)
<u>Adjustments:</u>							
Interest, bank charges & other financial expenses (income), net	41	(487)	(18)	262	2,172	332	(587)
Unrealized losses (gains) on hedging transactions	-	-	469	(2,124)	1,243	(1,063)	399
Other expenses	127	2	18	14	11	(1)	0
Taxes on income	212	496	1,572	3,052	2,765	556	649
Depreciation	592	871	1,229	2,662	4,999	925	1,244
Amortization	-	-	-	153	636	155	187
Withdrawn secondary offering expenses	-	-	-	365	-	-	-
Acquisition related expenses	-	-	-	65	-	-	1,183
Stock-based compensation	4,733	1,020	7,054	13,937	18,733	4,048	6,137
Change in deferred revenue	5,040	8,803	18,200	29,414	38,169	11,345	14,108
Change in prepaid domain registration costs	(470)	(1,087)	(1,701)	(2,494)	(2,673)	(764)	(744)
Adjusted EBITDA	(12,457)	(\$5,354)	(\$1,897)	(\$11,260)	\$14,721	(\$493)	\$2,664

Reconciliation of GAAP to Non-GAAP

(in thousands)	2011	2012	2013	2014	2015	Q1'15	Q1'16
GAAP Gross Profit	\$19,310	\$34,443	\$65,216	\$115,733	\$168,548	\$36,713	\$51,079
Stock-based Compensation	40	105	490	1,005	1,353	295	428
Non-GAAP Gross Profit	\$19,350	\$34,548	\$65,706	\$116,738	\$169,901	\$37,008	\$51,507
GAAP Net Loss	(\$22,740)	(\$14,972)	(\$28,720)	(\$56,566)	(\$51,334)	(\$16,026)	(\$19,912)
Stock-based Compensation and other Non GAAP Adjustments	4,817	1,254	7,767	16,319	19,980	4,315	7,682
Non-GAAP Net Loss	(\$17,923)	(\$13,718)	(\$20,953)	(\$40,247)	(\$31,354)	(\$11,711)	(\$12,230)