Fourth Quarter and Full Year 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,” “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 our annual report on Form 20-F for the year ended December 31, 2015 filed with the Securities and Exchange Commission on April 13, 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 materially from such forward-looking statements 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, collections and revenue on a constant currency basis, adjusted EBITDA, non-GAAP operating loss, 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 currency basis by assuming the same exchange rates as the prior period applied to the reported figures in the current period. Non-GAAP operating loss represents operating loss calculated in accordance with GAAP as adjusted for the impact of share-based compensation expense, amortization, and acquisition-related costs. Non-GAAP net loss represents net loss calculated in accordance with GAAP as adjusted for the impact of share-based compensation expense, amortization, and acquisition-related costs. 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. Adjusted EBITDA is defined as cash flow from operations before changes in working capital, prepaid domain registration costs, interest, bank charges and other financial expenses (income), net unrealized losses (gains) on hedging transactions, other income (expenses), taxes on income, and other unusual or non-recurring expenses. Free cash flow is defined as net cash provided by (used in) operating activities less capital expenditures.

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, enhance the overall understanding of past financial performance and future prospects, and allow for greater transparency with respect to key metrics used by management in its financial and operational decision making.

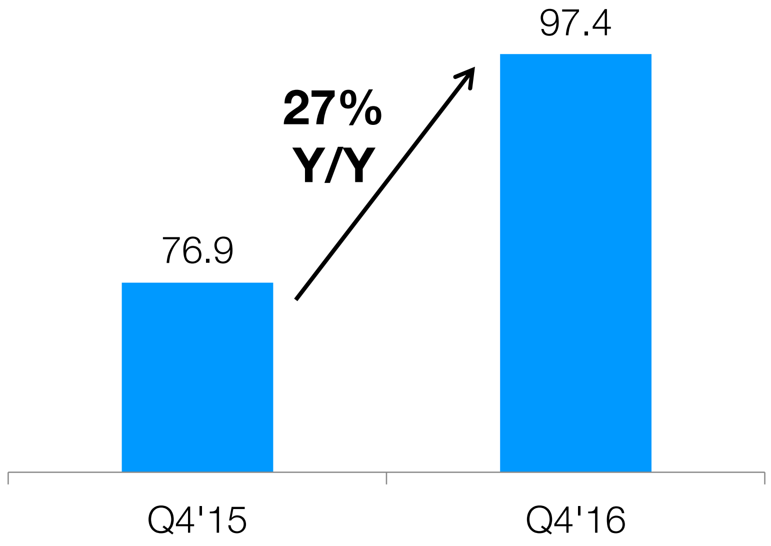
For more information on the non-GAAP financial measures, please see the "Reconciliation of GAAP to Non-GAAP Financial Measures" table in this press release. This accompanying table has more details on the GAAP financial measures that are most directly comparable to non-GAAP financial measures and the related reconciliations between these financial measures. The Company has not reconciled its guidance as to adjusted EBITDA to cash flow from operations because it does not provide guidance for cash flow from operations. As items that impact cash flow from operations 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 cash flow from operations 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.

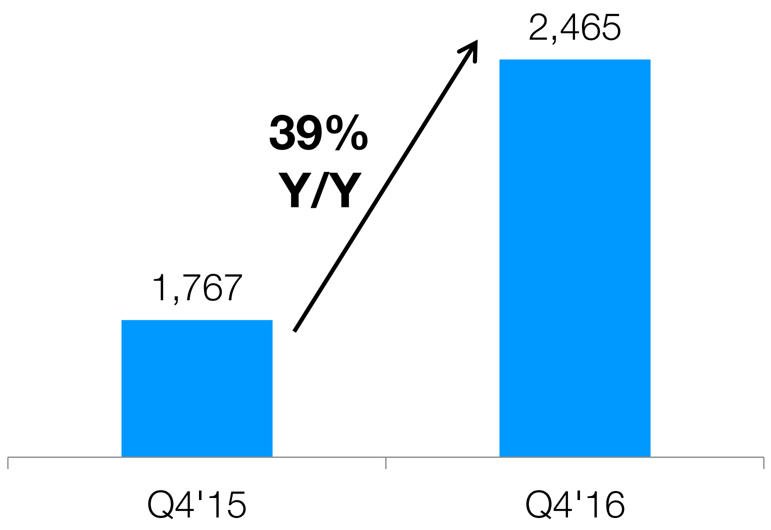
The trademarks included herein are the property of the owners thereof and are used for reference purposes only. Such use should not be construed as an endorsement of the products or services of the company.

Key Metrics: Q4’16

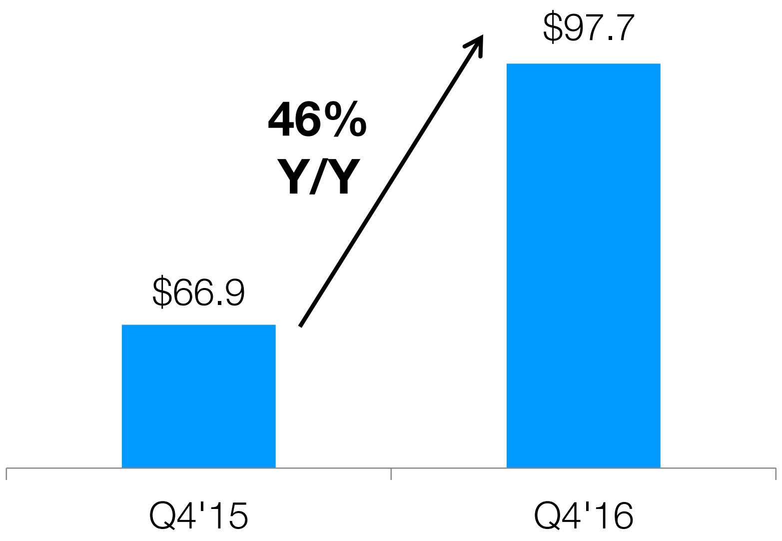
Registered Users
(million)



Premium Subscriptions
(000s)



Collections
($ million)



Improvement in Conversion

Improvement in ACPS

Q4'16 Highlights

- GAAP revenue of $84.2 million, 48% Y/Y growth, **exceeding prior guidance** of $81-82 million
- Collections of $97.7 million **exceeded prior guidance** of $93-94 million; 46% Y/Y growth is an acceleration from last quarter
- **Net premium subscription additions were 171,000;** Total subscriptions are up 39% Y/Y to 2.5 million
- Non-GAAP gross margin up Y/Y to 87% of Collections compared to 85% in Q3'15
- Adjusted EBITDA of $17.9 million, **exceeding prior guidance** of $14-15 million
- Free Cash Flow was $18.7 million, up 122% Y/Y
- **Agreed to acquire flok:** Wix entered into an agreement to acquire flok, a customer loyalty and engagement platform. flok's solutions are designed to increase customer value, generate organic referrals and boost online presence and reputation.
- **Wix integrates with Square:** Wix integrated with Square to give Wix merchants in North America a new way to transact. The Square integration improves payment processing and allows both online and in-person payments, via a mobile POS.
- **Wix launches advertising campaign for Super Bowl LI:** Wix joined the Super Bowl LI advertiser lineup for the third time in as many years. This was the first time Wix launched a campaign via YouTube Live and Facebook Live.
- **Global E-commerce platform:** E-commerce subscriptions reached 332,000 during the quarter; Q4'16 had record additions
- **Continued mobile growth:** Over 22 million mobile sites created on the Wix platform to date
- **Increasing App engagement:** App purchases were up 51% Y/Y in Q4'16; To date, users have installed over 60 million apps

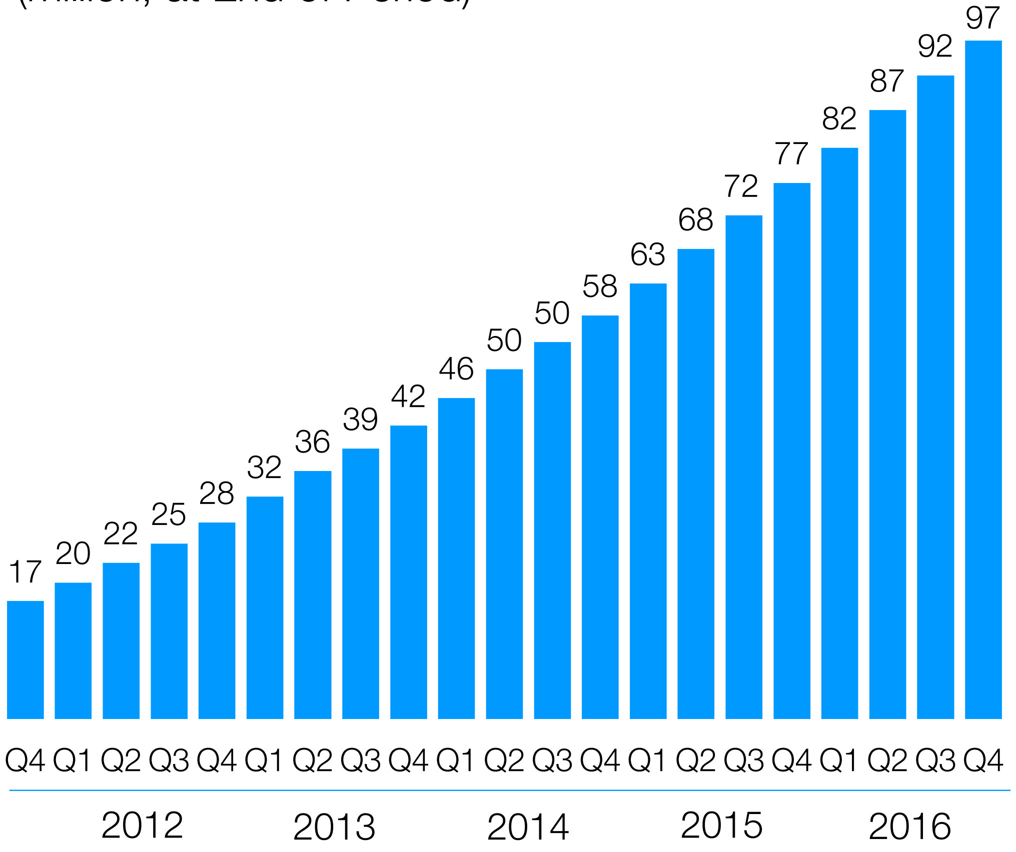
2016 Highlights

- GAAP revenue of $290 million, 43% Y/Y growth, **exceeding prior guidance** of $287-288 million
- Collections of $342 million **exceeded prior guidance** of $337-338 million; 42% Y/Y growth is an acceleration from 2015
- Added over 20 million new registered users to reach 97 million. As of February 2017, Wix had over 100 million registered users
- **Net premium subscription additions were 698,000;** Total subscriptions are up 39% Y/Y to 2.5 million
- Non-GAAP gross margin up Y/Y to 87% of Collections compared to 85% in 2015
- Adjusted EBITDA of $42.6 million, **exceeding prior guidance** of $38.5-39.5 million
- Free Cash Flow was $36.2 million, up 149% Y/Y
- S&M expense was 44% of collections - at the low-end of guidance at 44-45% and an improvement from 48% in 2015

Users and Subscriptions

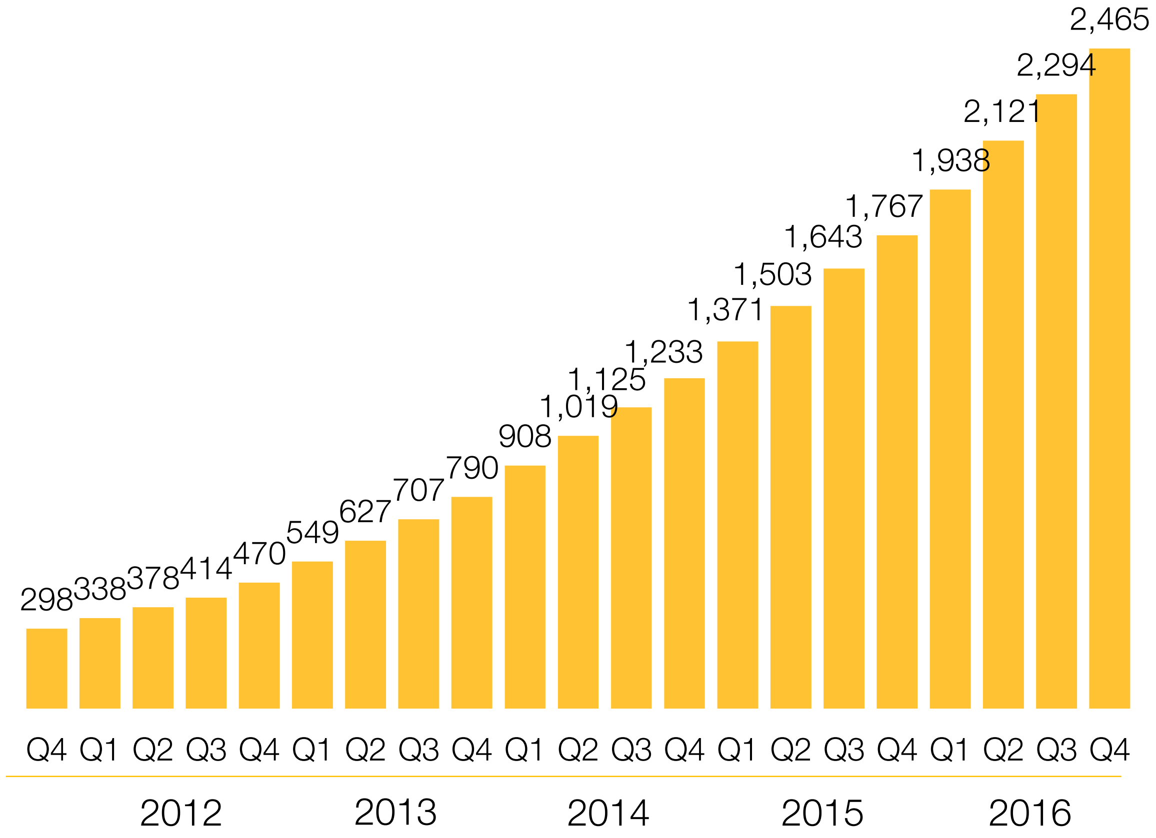
27%
Y/Y

Registered Users
(million, at End of Period)

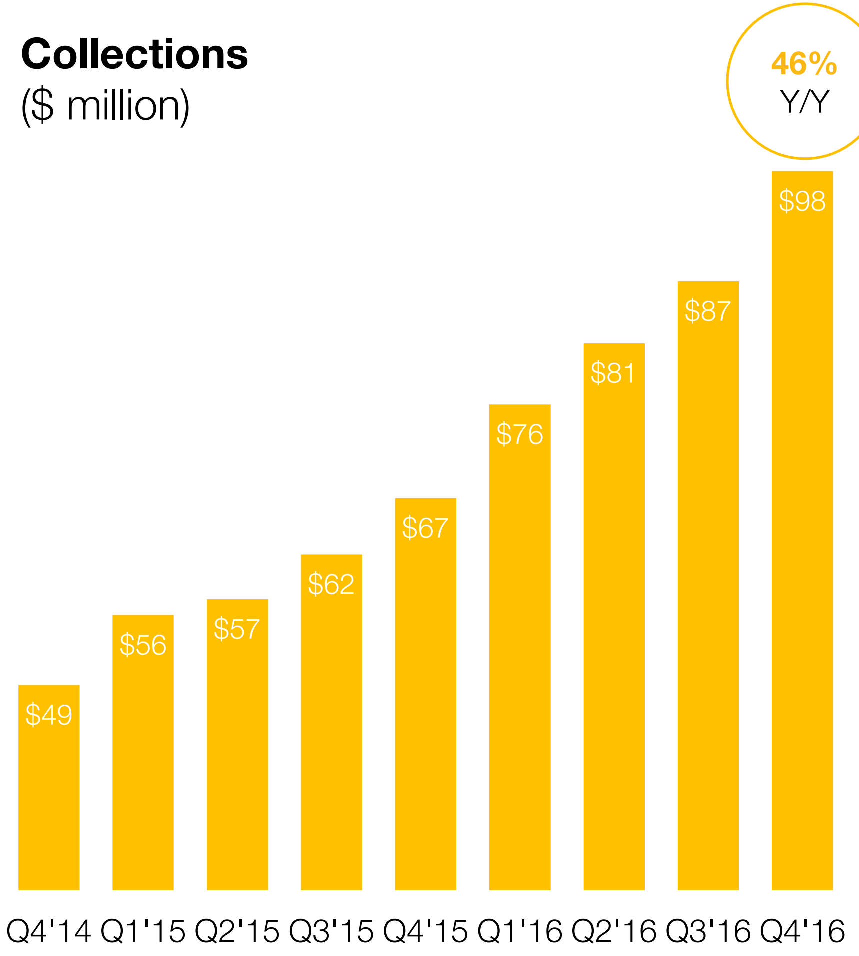


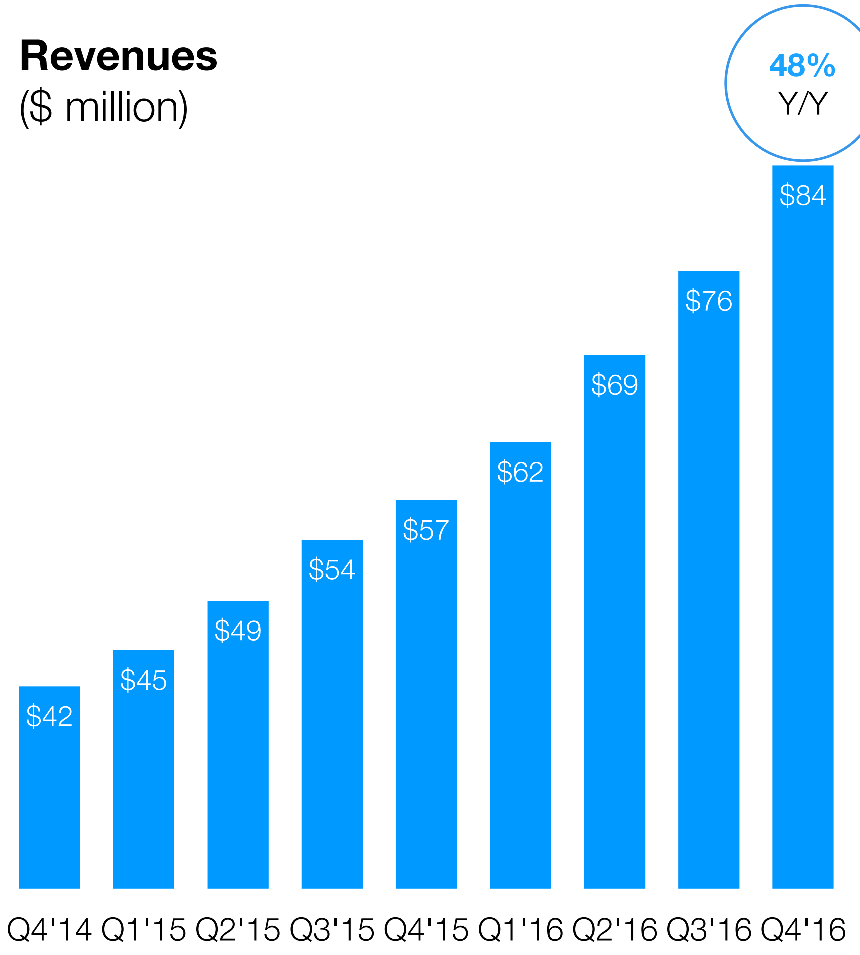
39%
Y/Y

Premium Subscriptions
(000s, at End of Period)

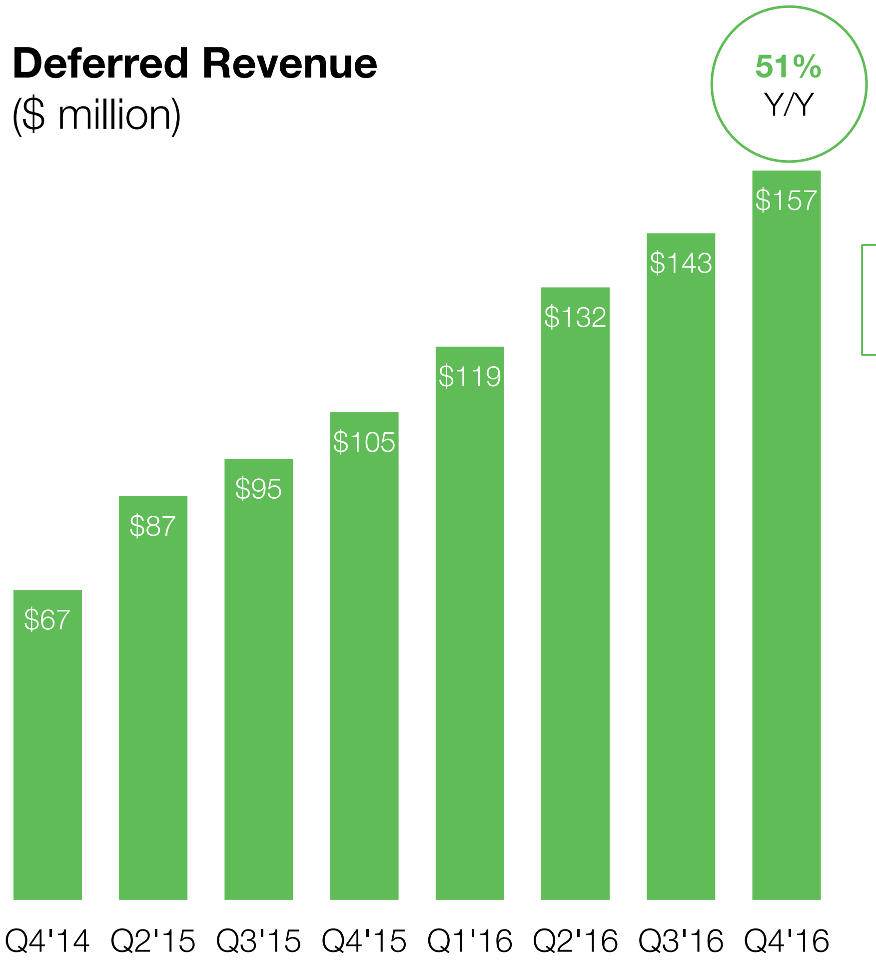


Collections and Revenue

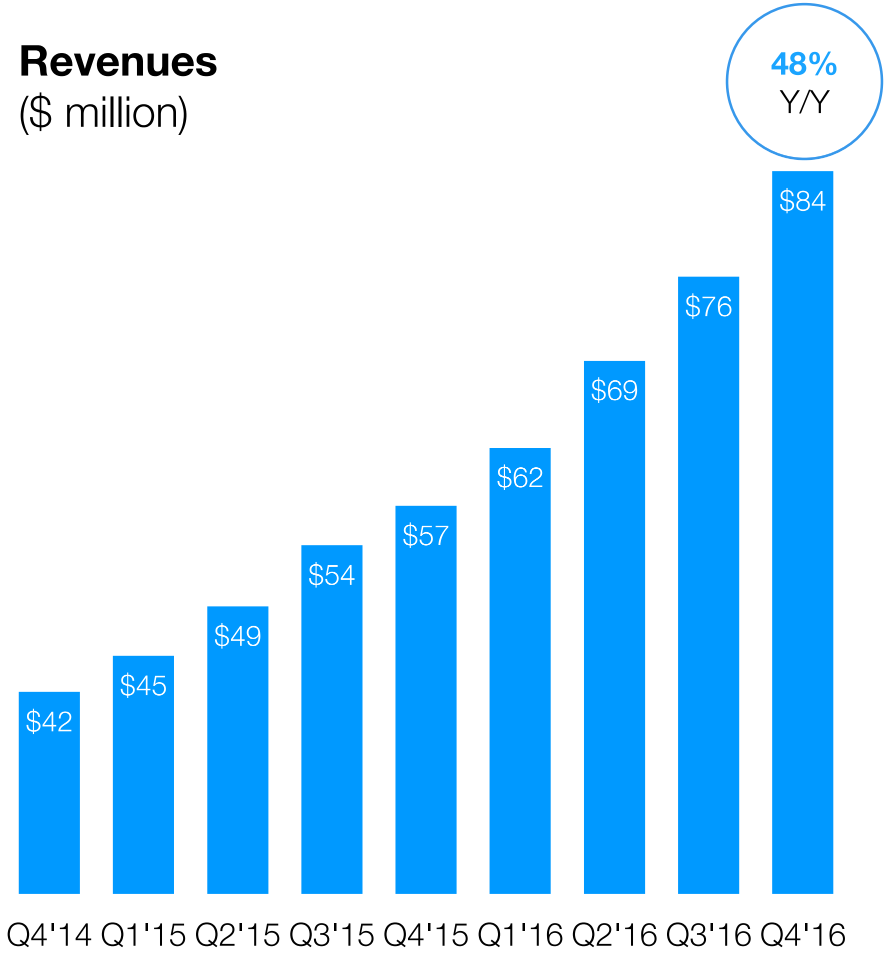




Deferred Revenue Growth

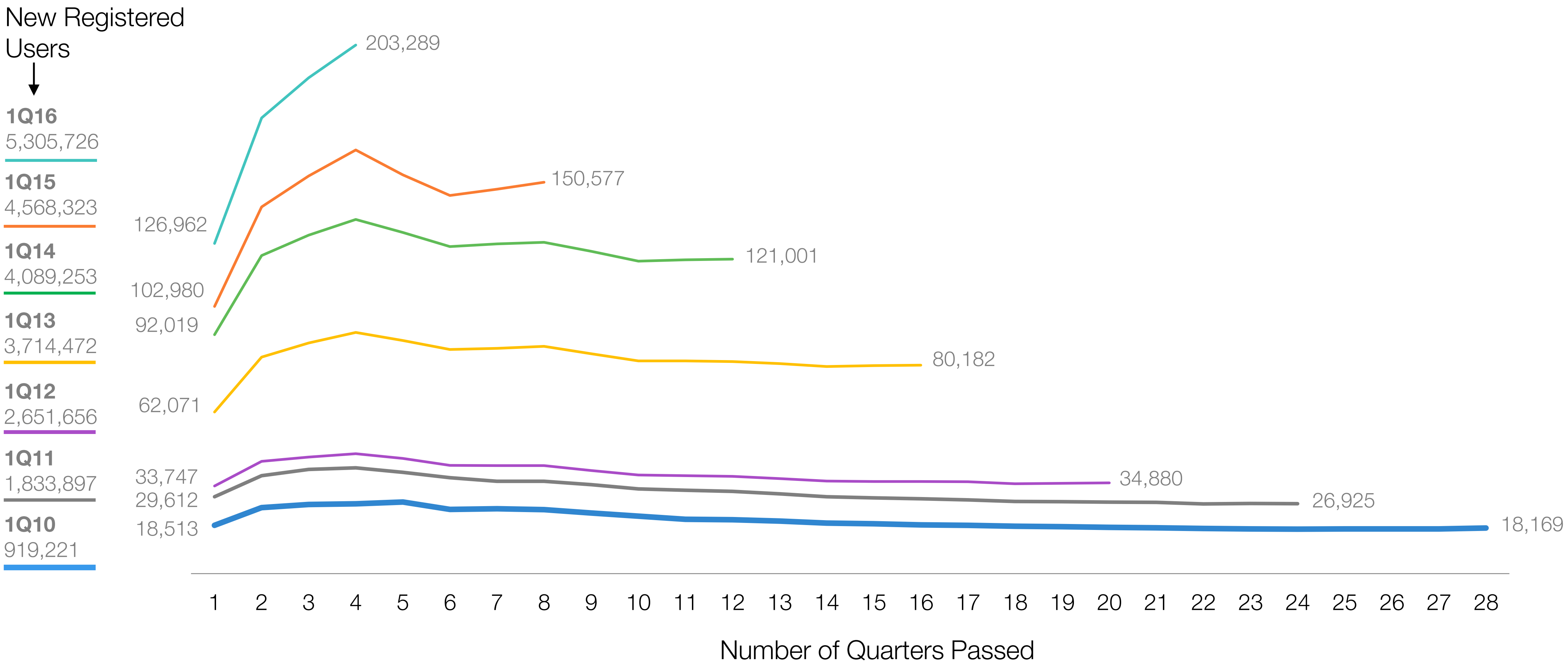


Deferred Revenue nearly all realized over next 12 months



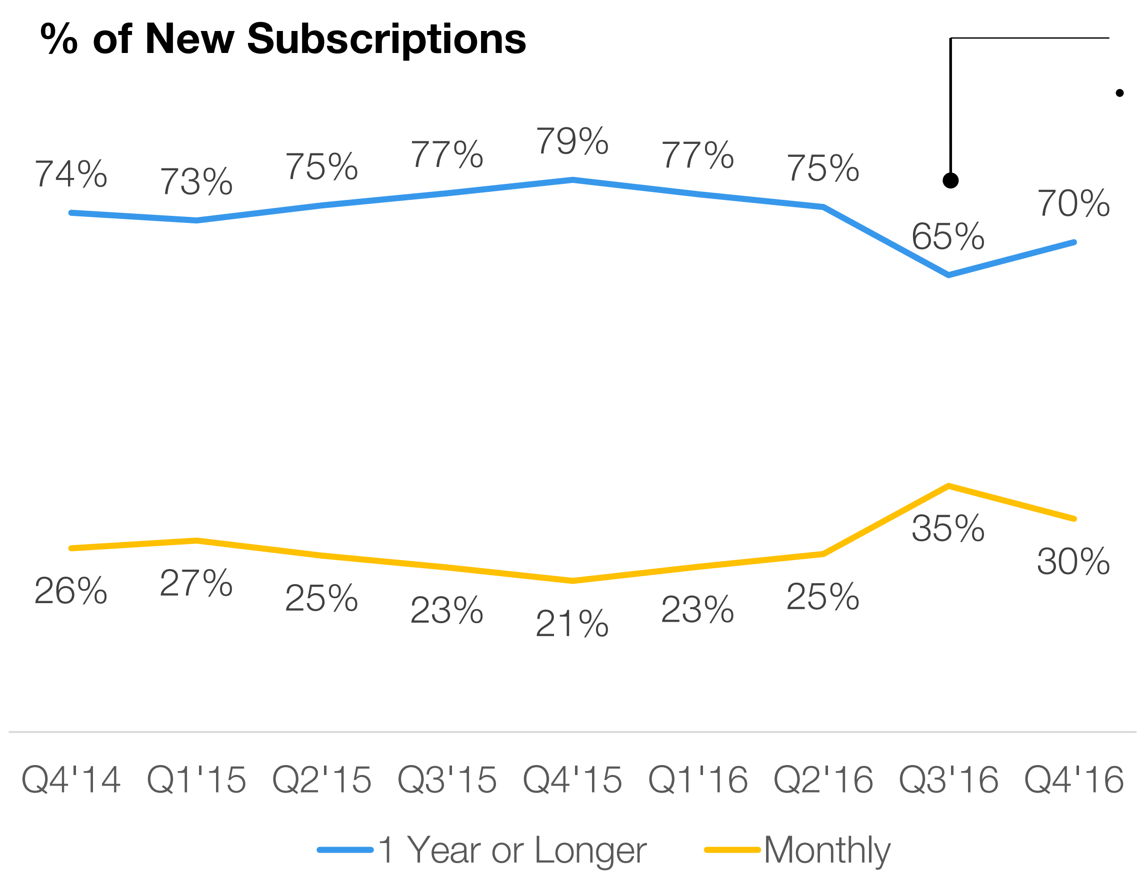
Consistent Behavior

Active Premium Subscriptions from Q1 User Cohorts

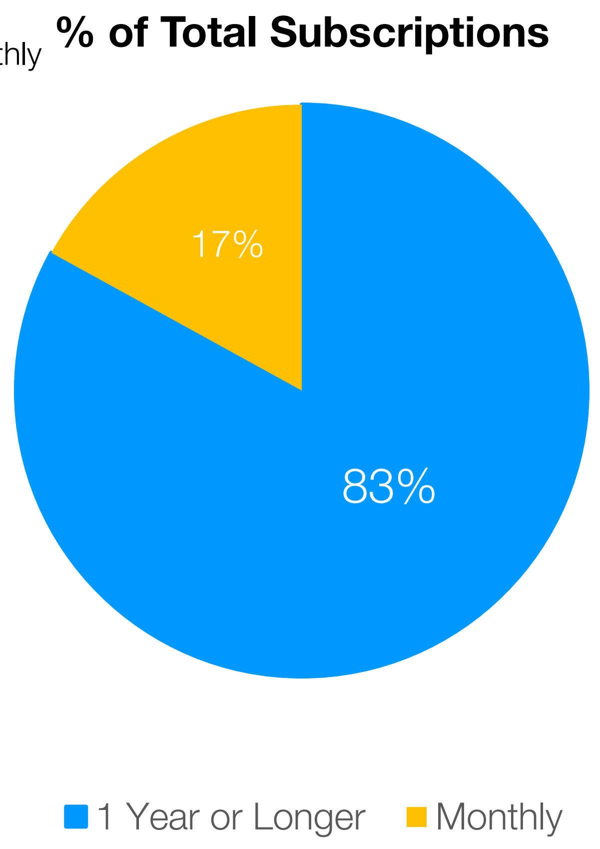


Note: Data as of December 31, 2016

Long Term Subscriptions



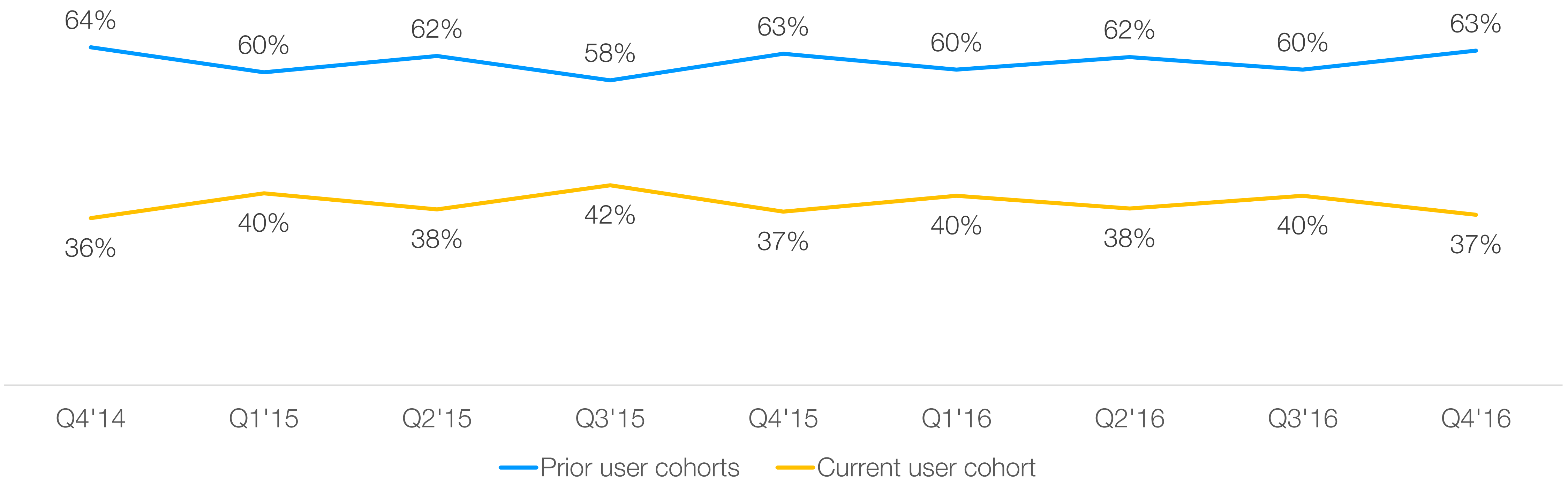
- Lower Promotional Activity of Annual Duration Packages
- User Funnel Optimization Generated Incremental Monthly Subscriptions



Note: Data as of December 31, 2016

Ongoing Cohort Conversions

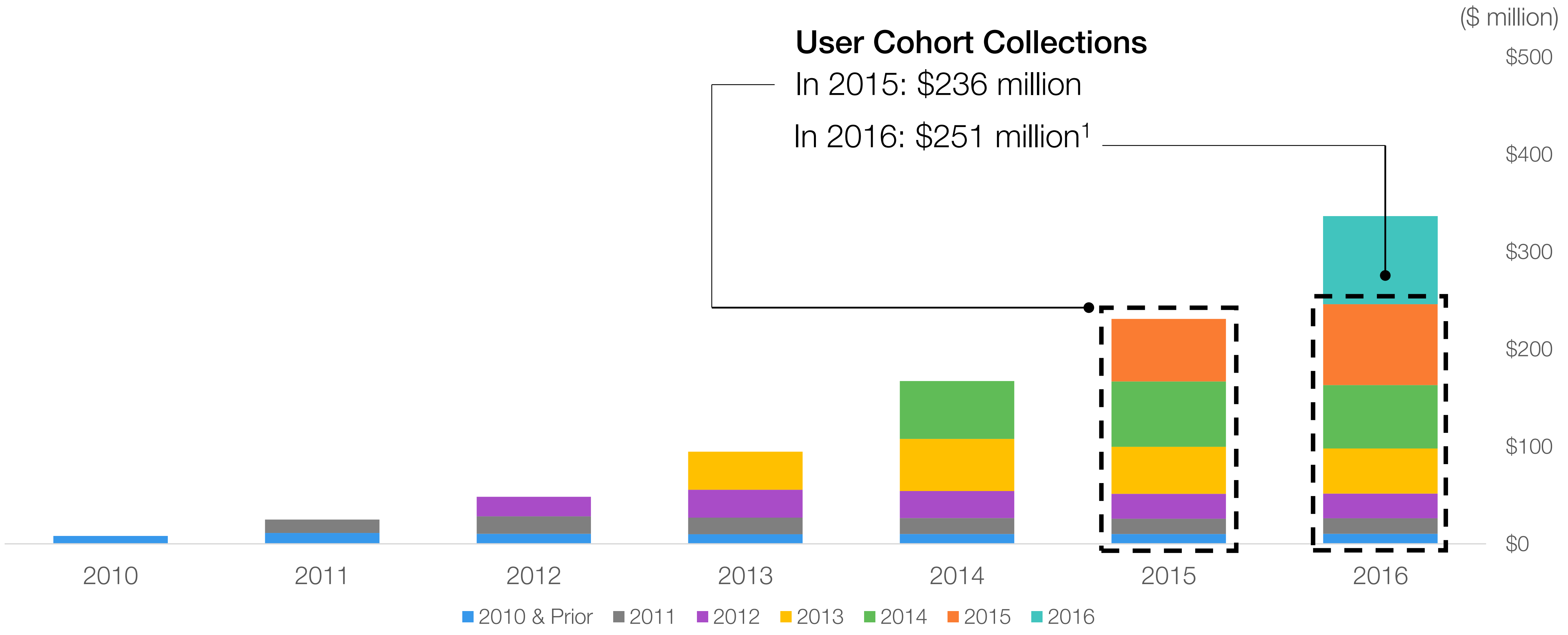
% of Gross New Subscriptions by Prior and Current User Cohorts



Note: Data as of December 31, 2016

Growing Base of Cohort Collections

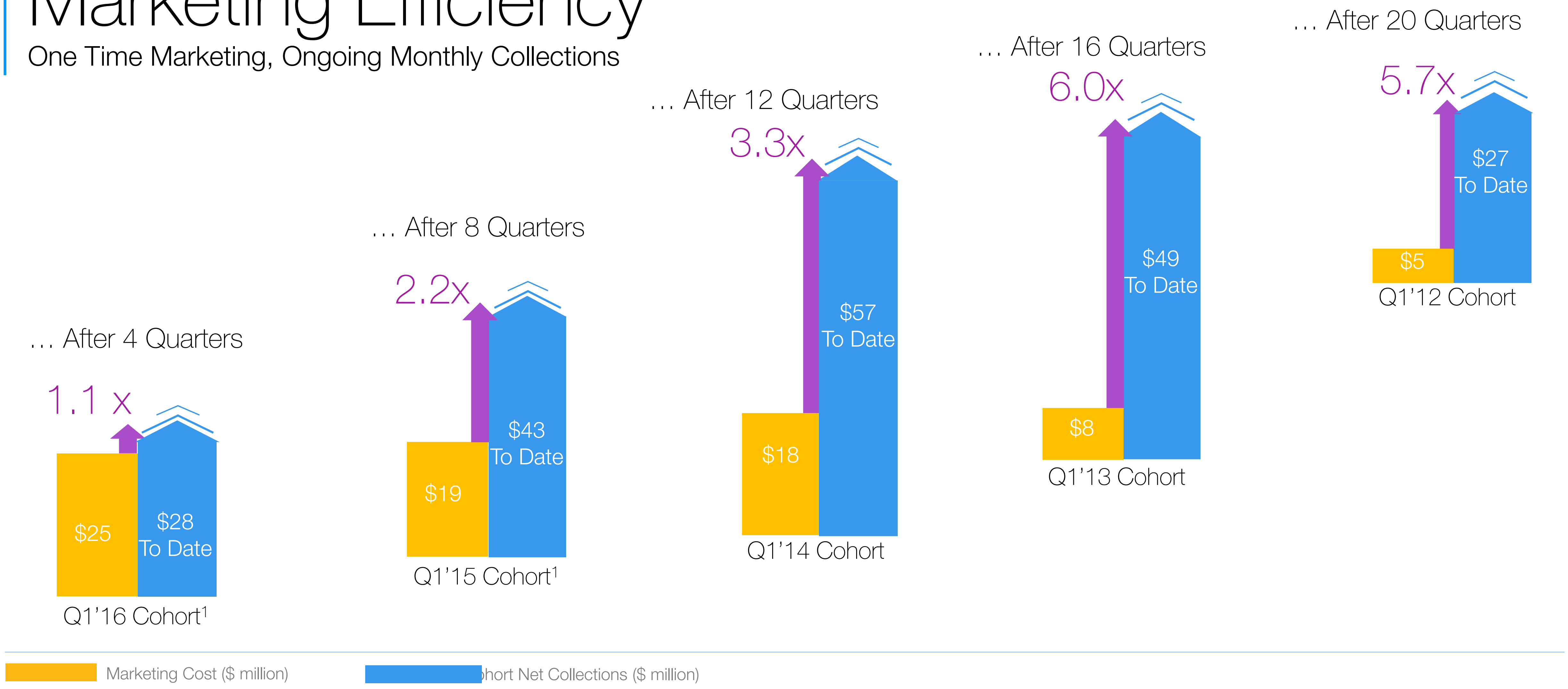
Annual collections by user cohort



[1]2016 collections are constant currency assuming FX rates remained the same as in 2015

Marketing Efficiency

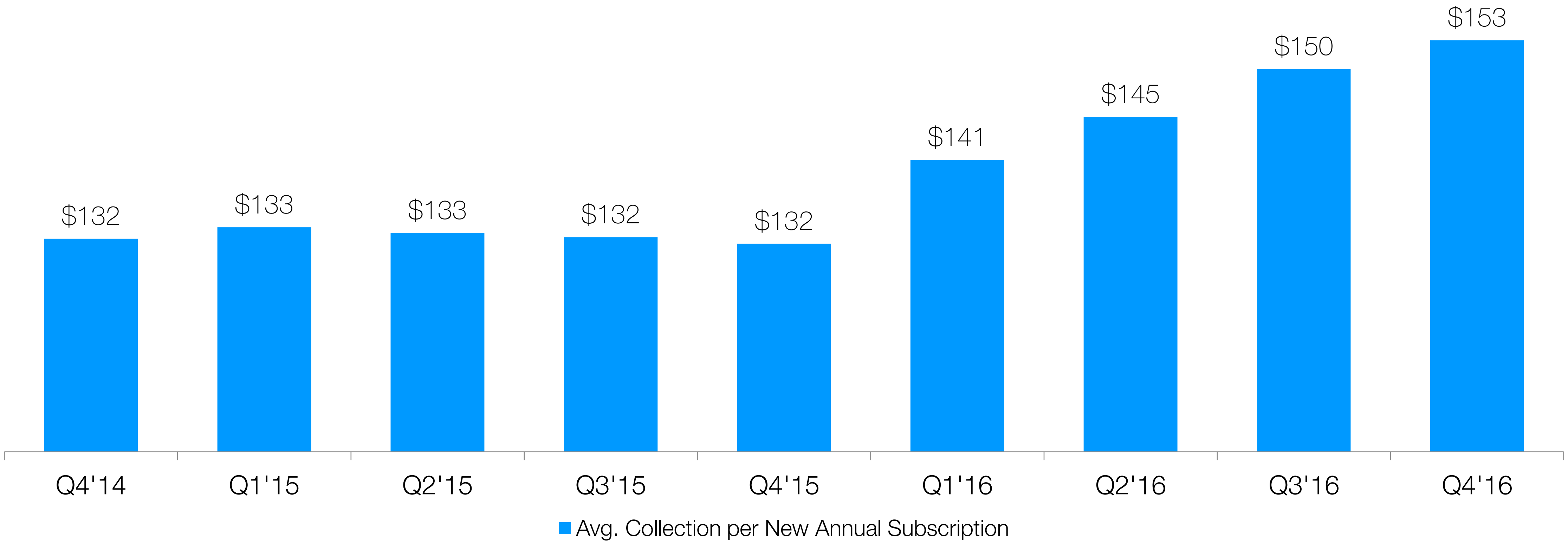
One Time Marketing, Ongoing Monthly Collections



Note: Data as of December 31, 2016

[1]Excludes ~$6 million in Q1’15 and ~$7 million in Q1’16 for brand marketing expenses

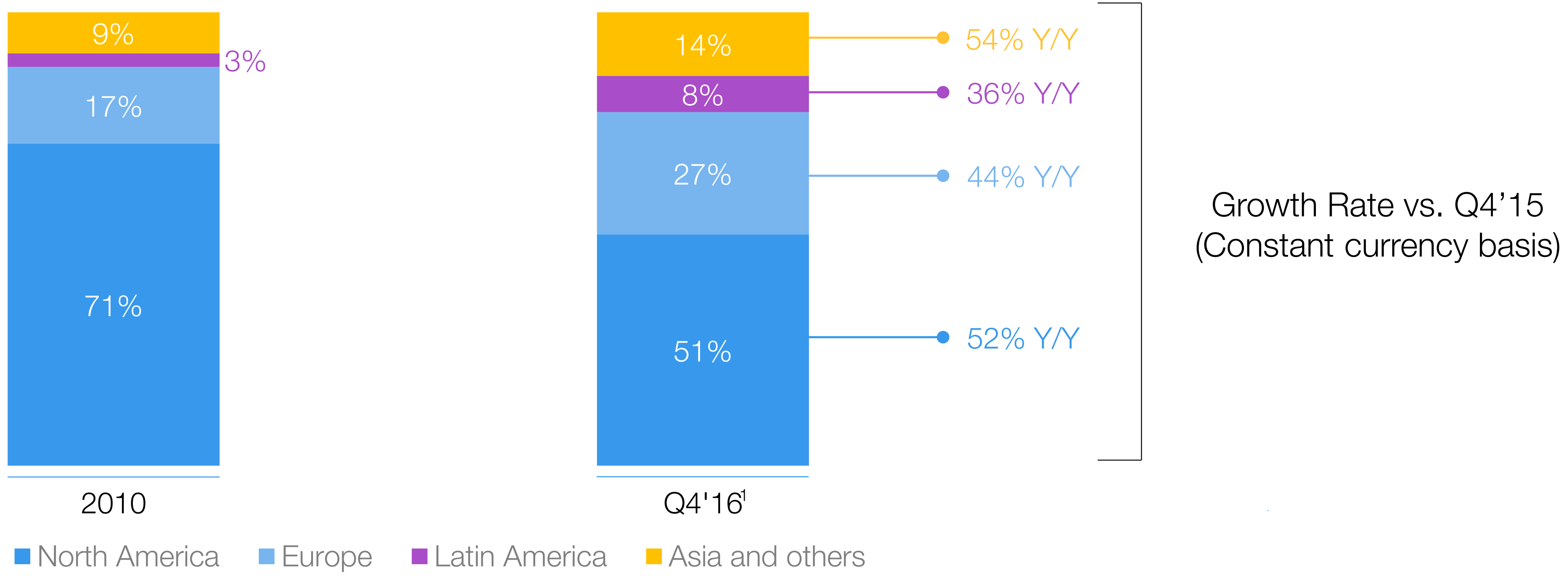
Increasing Collections per New Subscription



Note: Based on New Annual Subscriptions in the US

Increasing Geographic Penetration

Revenue by Geography
(% of Total)



[1]Revenue by Geography and Y/Y Change based on constant FX rates from Q4'15

Non GAAP Financial Results

(in 000s)	2011	2012	2013	2014	2015	Q4'15	Q4'16	Y/Y%
Collections	$29,648	$52,479	$98,673	$171,255	$241,687	$56,831	$97,652	46%
Revenues	$24,600	$43,676	$80,473	$141,841	$203,518	$70,707	$84,176	48%
Gross Margin %	*79%*	*79%*	*82%*	*82%*	*83%*	*84%*	*85%*	
R&D expenses	$12,807	$16,229	$26,511	$51,120	$67,977	$18,929	$23,971	27%
% of revenues	*52%*	*37%*	*33%*	*36%*	*33%*	*33%*	*28%*	
S&M expenses	$21,364	$28,956	$52,591	$95,173	$116,733	$29,359	$38,759	32%
% of revenues	*87%*	*66%*	*65%*	*67%*	*57%*	*52%*	*46%*	
% of collections	*73%*	*55%*	*53%*	*56%*	*48%*	*44%*	*40%*	
G&A expenses	$2,806	$3,304	$6,077	$11,569	$14,458	$3,733	$5,259	41%
% of revenues	*11%*	*8%*	*8%*	*8%*	*7%*	*7%*	*6%*	
Adjusted Op. Inc.	($17,627)	($13,941)	($19,469)	($41,125)	$29,267	($4,417)	$3,878	NM
% of revenues	*(72%)*	*(32%)*	*(24%)*	*(29%)*	*(14%)*	*(8%)*	*5%*	
Net Loss	($17,923)	($13,718)	($20,953)	($40,247)	($31,354)	($5,397)	$2,696	N/M

APPENDIX

Reconciliation of GAAP to Non-GAAP

(in 000s)	2012	2013	2014	2015	2016	Q4’15	Q4’16
Revenues	$43,676	$80,473	$141,841	$203,518	$290,103	$56,831	$84,176
Change in Deferred Revenues	$8,803	$18,200	$29,414	$38,169	$51,966	$10,039	$13,476
Collections	$52,479	$98,673	$171,255	$241,687	$342,069	$66,870	$97,652

Reconciliation of GAAP to Non-GAAP

(in 000s)	2012	2013	2014	2015	2016	Q4’15	Q4’16
GAAP Operating Loss	($14,961)	($26,523)	($55,643)	($48,635)	($44,032)	($10,163)	($4,742)
Adjustments:							
Realized losses (gains) on hedging transactions	-	($156)	$281	$3,492	$791	$516	$167
Depreciation	$871	$1,229	$2,662	$4,999	$4,538	$1,399	$890
Amortization	-	-	$153	$636	$747	$170	$187
Withdrawn secondary offering expenses	-	-	$365	-	-	-	-
Acquisition related expenses	-	-	$65	-	$2,708	-	$614
Stock-based compensation	$1,020	$7,054	$13,937	$18,733	$28,048	$5,576	$7,820
Change in deferred revenue	$8,803	$18,200	$29,414	$38,169	$51,966	$10,039	$13,476
Change in prepaid domain registration costs	($1,087)	($1,701)	($2,494)	($2,673)	($2,178)	($512)	($535)
Adjusted EBITDA	($5,354)	($1,897)	($11,260)	$14,721	$42,588	$7,025	$17,877

Reconciliation of GAAP to Non-GAAP

(in 000s)	2012	2013	2014	2015	2016	Q4'15	Q4'16
GAAP Gross Profit	$34,443	$65,216	$115,733	$168,548	$244,816	$47,224	$71,438
Stock-based Compensation	$105	$490	$1,005	$1,353	$1,798	$380	$429
Non-GAAP Gross Profit	$34,548	$65,706	$116,738	$169,901	$246,614	$47,604	$71,867
GAAP Net Loss	($14,972)	($28,720)	($56,566)	($51,334)	($47,157)	($11,305)	($6,182)
Stock-based Compensation and other Non GAAP Adjustments	$1,254	$7,767	$16,319	$19,980	$32,341	$5,908	$8,878
Non-GAAP Net Loss	($13,718)	($20,953)	($40,247)	($31,354)	($14,816)	($5,397)	$2,696