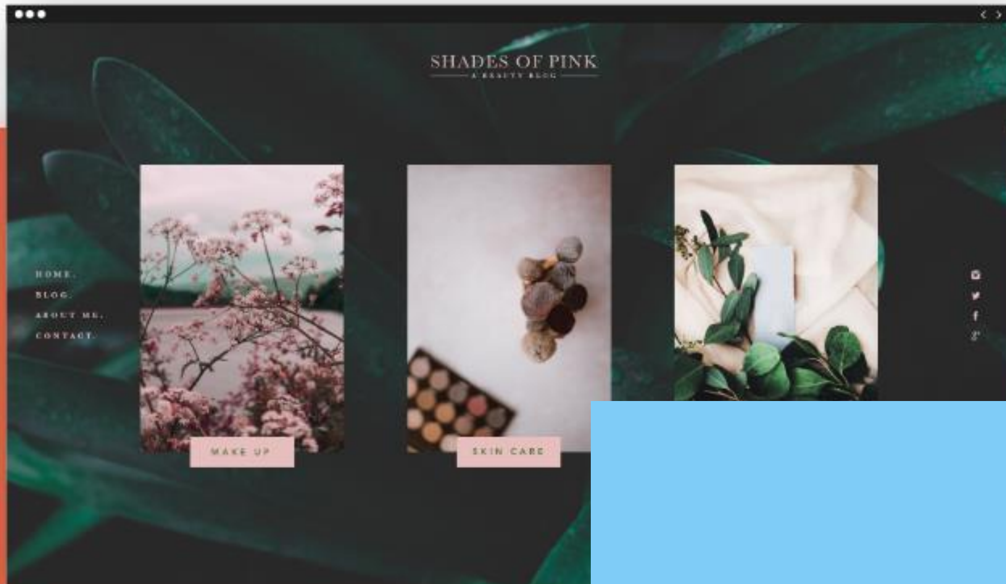
WiX.com



FEBRUARY 14 • 2018

SHAREHOLDER UPDATE

FOURTH QUARTER & FULL YEAR 2017

Q4 Operating Metrics

New Registered Users Added

5.3 M

Net Premium Subscriptions Added

170 K

Total Registered Users

119 M (+22% y/y)

Total Premium Subscriptions

3.2 M (+31% y/y)

Q4 Financial Metrics

GAAP Revenue

$118.5 M (+41% y/y)

Collections

$132.2 M (+35% y/y)

Net Cash Provided by Operating Activities

$24.9 M (+27% y/y)

Free Cash Flow

$19.6 M (+5% y/y)

Earnings Highlights

- **Great success in 2017: 41%+ collections growth y/y and 95%+ free cash flow growth y/y**
- **User conversion and subscription retention at all time high levels**
- **Breakout year for Wix ADI**
- **Positioned well for strong growth and cash flow in 2018**

Fourth Quarter and Full Year Highlights

Ended 2017 with strong financial results: collections, revenue and FCF all exceeded expectations

- The combination of user growth, conversion of users to subscriptions and increases to average collection per subscription (ACPS) drove strong financial results in Q4 to end 2017 on a strong note
- Collections in Q4 were $132.2M, 35% y/y growth and 4% ahead of the top end of guidance
- Collections in 2017 of $484.0M, 41% y/y growth and nearly $5M ahead of high end of expectations
    - 2017 was the third consecutive year of 41%+ y/y collections growth
    - Our business improved throughout the year once again – we began 2017 estimating 34% y/y collections growth and ended the year with 41%
- Free cash flow of $70.7M in 2017 beat high end of guidance by 2%
    - **We grew top line considerably AND nearly doubled FCF**
    - Reflects profitable investment and continued leverage in the business

Cohorts performing better than ever

- Conversion continued to increase through Q4 driven by continued product innovation and marketing success
- **Q1 2017 cohort is our strongest ever and converted more subscriptions as a % of users in first four quarters than any past Q1 cohort**
- Experiencing highest retention rates ever, demonstrating users are finding value in the product, are higher quality and are staying longer

Q4 Results vs. Guidance

GAAP Revenue

Actual Results

$118.5 million

Prior Guidance

$116-117 million

Collections

Actual Results

$132.2 million

Prior Guidance

$126-127 million

FY 2017 Results vs. Guidance

GAAP Revenue

Actual Results

$425.6 million

Prior Guidance

$423-424 million

Collections

Actual Results

$484.0 million

Prior Guidance

$478-479 million

Free Cash Flow

Actual Results

$70.7 million

Prior Guidance

$68-69 million

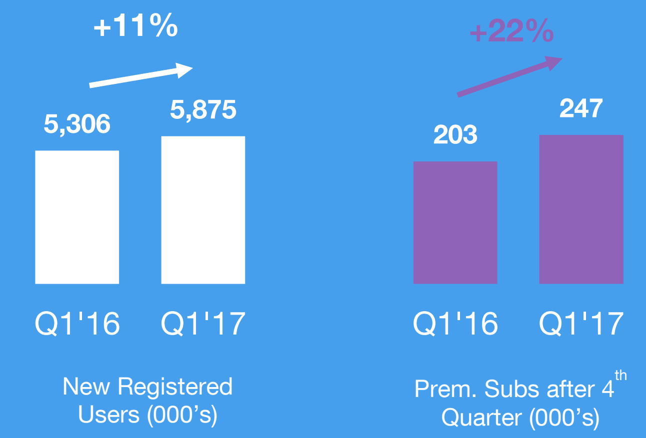
Product innovation continues to drive conversion, and we expect it to continue in 2018

- Subscriptions after four quarters in the Q1 2017 cohort grew 22% compared to the same point in the Q1 2016 cohort
    - Growth was the result of increased conversion and is even more impressive due to the 11% growth in users between cohorts – **we converted a larger number of users at a higher conversion rate than in any previous Q1 cohort**
- We attribute a significant amount of this conversion increase in 2017 to the addition of Wix ADI to our platform
    - This performance proves the positive returns of the incremental R&D investment in 2015 – 2016 related to ADI
- We are investing in new products to drive growth long term, and we are particularly excited about what is to come in 2018
    - Wix Code off to a strong start with more than 140,000 users putting Wix Code to use today
    - We will further optimize ADI and roll it out in international markets
    - We have other products soon to be announced

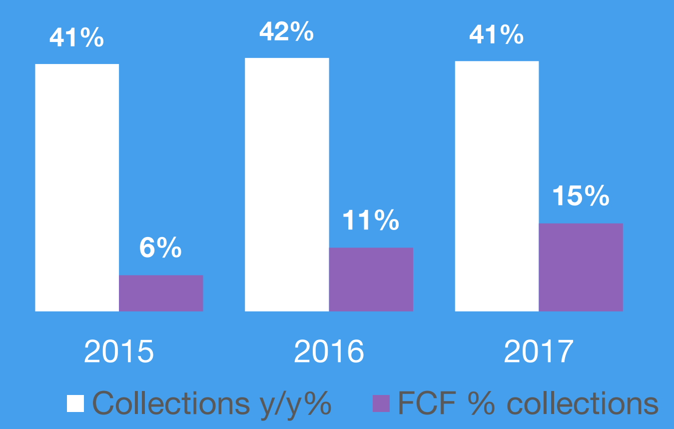
World class marketing increased efficiency throughout the year

- Non-GAAP marketing expenses in 2017 grew 29% y/y but as a % of collections fell by 4% y/y to 40% for the full year, in line with our guidance
- The continued leverage in a growing marketing investment illustrates our expertise in data-driven marketing and the growing strength of our brand
- We plan to launch dozens of new marketing campaigns in 2018

Increasing users and conversion driving growth



Steady collections growth with expanding FCF margin



Financial Performance

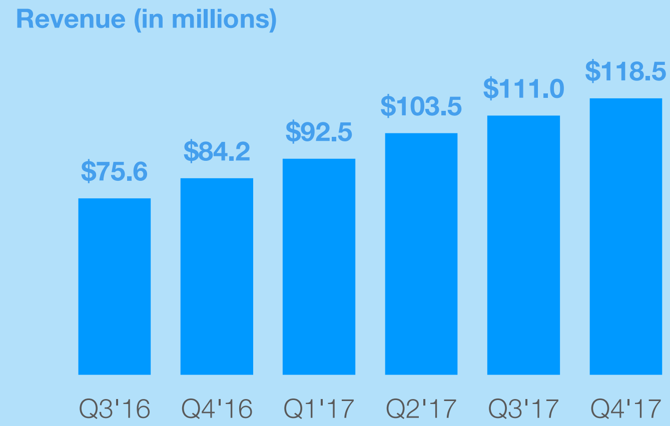
The following fourth quarter and full-year 2017 results are based on the revenue recognition standard ASC 605. Our guidance for 2018 will be based on the new revenue recognition standard ASC 606, as discussed further in that section. A reconciliation of 2017 based on ASC 605 to ASC 606 is provided in a separate presentation that is posted on our Investor Relations website.

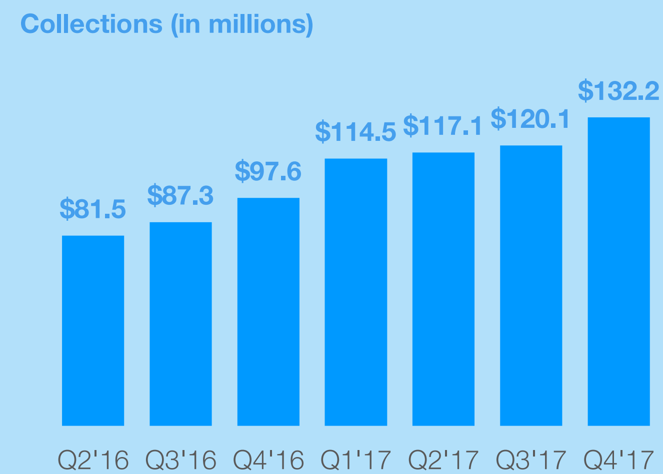
Revenue in Q4 was $118.5M, up 41% y/y, and exceeded the high end of our guidance range of $116-117M. Revenue in FY 2017 was $425.6M, increased 47% y/y and was above the high end of our guidance range of $423-424M.

Collections in Q4 were $132.2M, up 35% y/y, well exceeding the high end of our guidance range of $126-127M. Collections in FY 2017 were $484.0M, up 41% y/y and above the high end of our range of $478-479M. **Full year 2017 collections growth of 41% y/y marks the third consecutive year of 41%+ y/y growth.**

- Renewal rates were higher than our expectations in Q4 and were one of the primary drivers of collections growth in the quarter
- Collections growth in Q4 was also driven by continued increases in conversion of registered users to premium subscriptions and increases in average collections per new subscription
- **In Q4, we reached the highest levels of both conversion and subscription retention rates in our history**
- Collections in Q4 was positively impacted by approximately $2 million in currency rates as the Euro and British Pound strengthened in Q4 on a y/y basis relative to the US Dollar

Collections growth of 41% y/y in 2017 also demonstrates how the fundamentals of our business continued to improve throughout the year. Our initial guidance for collections growth provided in February 2017 was 32-34% y/y and 35-36.5% y/y including the impact of DeviantArt. We experienced a similar pattern of incremental improvements in 2016 when we initially guided to 30-32% y/y collections growth and achieved 42% for the year.





These improvements in growth were the result of incremental benefits we realized in our business throughout the year, driven by product development and successful marketing execution.

Average collections per new annual subscription in the US increased to $159 in Q4, reflecting y/y growth of 4%. This growth was driven by continued adoption of vertical applications, App Market applications, additional services and improved mix of higher priced subscription packages.

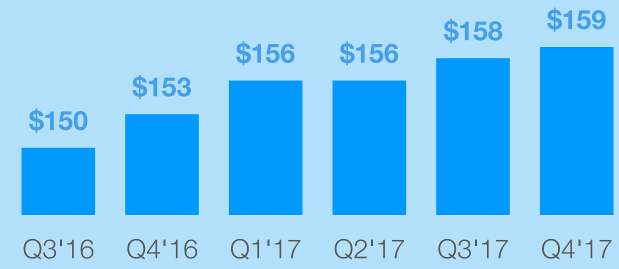
Non-GAAP gross margin improved to 85% of revenue in Q4, an improvement from 84% in Q3 2017 and the same as in Q4 2016 at 85%. For the full year 2017, non-GAAP gross margin was 85%, the same as in FY 2016. We continue to benefit from scale, efficient resource management and the use of multiple providers to meet the growing bandwidth and storage needs of our users.

Non-GAAP R&D expense was $34.0M in Q4 compared to $32.0M in Q3 and $24.0M in Q4 2016. As a percent of collections, R&D expense was 26% in Q4 2017, an improvement of roughly 1% compared to Q3, when it reached 27%.

For the full year 2017, R&D expense was $121.3M, or 25% of collections, an improvement over 2016 R&D expense of $87.6 million, or 26% of collections. **The incremental margin on R&D expenses is a reflection of our ability to drive positive returns through investment in product development and innovation.**

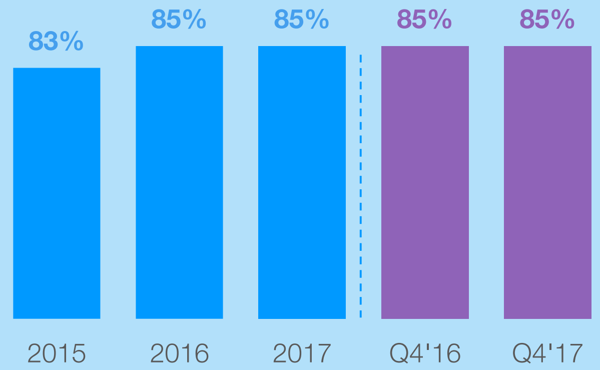
Over the last two years, we have made significant investments in product development to drive the future growth of our business. In 2017, we added to our R&D headcount partially to support the development and launch of Wix Code and the redesign of the DeviantArt platform, and this expense will also impact us in 2018. However, we do not anticipate that these products will

Average Collections per New Annual Subscription

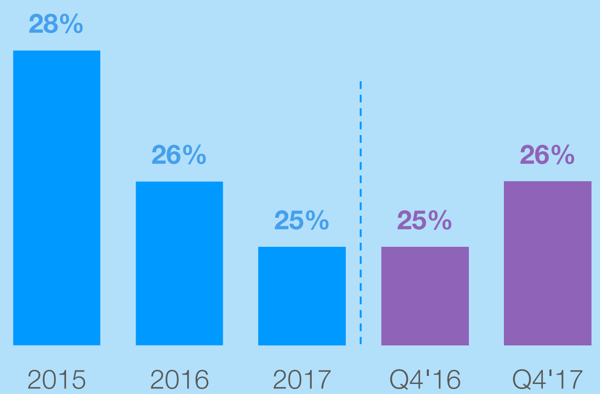


Based on full-priced (excluding sales), new annual subscriptions purchased in the US for each quarter.

Non-GAAP Gross Margin



Non-GAAP R&D as a % of Collections



contribute to our top line collections in a material way until late 2018 for Wix Code and 2019 for DeviantArt.

Further, as stated last quarter, the appreciation of the Israel Shekel relative to the US Dollar may increase our R&D expenses, as most of our headcount is located in Israel. **If this FX impact and the incremental investment in Wix Code and DeviantArt were excluded from our R&D expense in 2018, we estimate that R&D expense as a percent of collections would be in line with our target financial plan.**

We have proven that investment in R&D fuels future growth in our business through the investment in multiple products, mostly notably the Wix Editor, vertical applications and Wix ADI. These successes drove our decision to make these additional R&D investments.

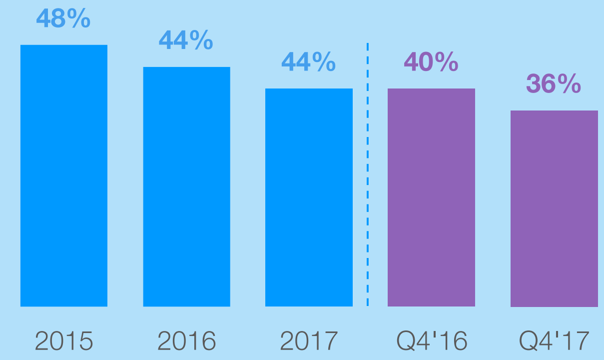
Non-GAAP S&M expense was $47.3M in Q4 compared to $49.3M in Q3 and $38.8M in Q4 2016. As a percent of collections, S&M expense was 36% in Q4 2017 compared to 41% in Q3 2017.

For FY 2017, non-GAAP S&M expense was $195.0M compared to $151.8M in 2016, a 29% increase. We ended 2017 with S&M expense at 40% of collections, the low end of our guidance range and a 4% improvement over 2016, as we continue to benefit from the conversion of users in our prior cohorts to subscriptions.

We increased marketing by more than $40M y/y while maintaining our time to return on investment, or TROI, at 7-9 months due to product improvements that drove better conversion, more efficient marketing and the strengthening of our brand.

Non-GAAP G&A expense was $9.5M in Q4 compared to $9.0 million in Q3 and $5.3 million in Q4 2016. For FY 2017, G&A expense was $34.3 million, a 73% increase over $19.8 million in 2016. The increase was driven by increasing headcount and overhead expenses related to the growth of our overall business

Non-GAAP S&M as a % of Collections



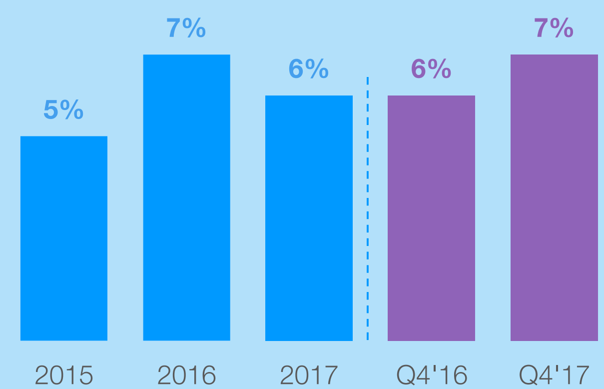
TROI:

Time to Return On (marketing) Investment

The time it takes to collect dollars from new premium subscriptions acquired in a cohort to equal dollars spent on direct marketing costs in the same cohort

We aim for 100% TROI in 7-9 months

Non-GAAP G&A as a % of Collections



as well as the addition of DeviantArt. G&A expense was 7% of collections in 2017, a slight increase over 2016 at 6%.

Non-GAAP operating income was $9.7M, which is 184% higher than last quarter's operating income of $3.4M and a 150% improvement over $3.9M in the year ago period, demonstrating the strong returns we have realized from the investments in our business.

Free cash flow rose to $19.6M in Q4 compared to $18.9M in Q3. We increased cash flow by 95% y/y to $70.7 million in 2017 compared to $36.2 million in 2016 while still growing our collections 41%+ y/y. **Free cash flow continues to grow at a higher rate than collections due to the leverage we continue to realize in our business model.**

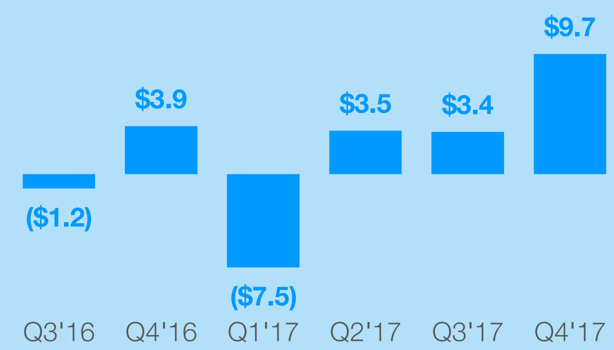
We view free cash flow as the best metric by which to measure the profitability of our business, as opposed to operating income or net income, due to the large amount of deferred revenue we recognize in a given period. Because income statement-based profitability measures are derived from revenue, they fail to account for all of the cash we collect in a period, much of which is due to the sale of annual and longer term subscriptions that are amortized in revenue over their term. Furthermore, in quarters where we exceed our expectations for collections (as we did in Q4 2017), we increase marketing expense in the latter weeks of the quarter in order to remain within our TROI, further decreasing income statement profitability.

Free cash flow fully captures all of the cash that we collect in a period through the sale of annual and longer-term subscriptions, which account for roughly 65-70% of our quarterly gross subscription additions. This properly aligns the timing of cash we collect with our marketing expenses.

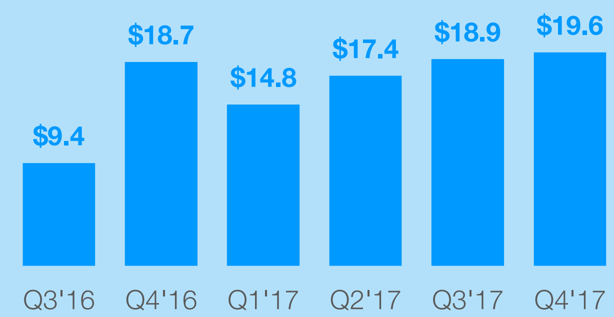
We ended 2017 with $234M in cash on the balance sheet and $1.2M in long-term debt.

Our total employee head count stood at 2,034 as of the end of the year.

Non-GAAP Operating Income (Loss) (in millions)



Free Cash Flow (in millions)



At year-end 2017, our basic share count was approximately 46 million and our fully diluted share count was approximately 57 million.

Registered Users and Premium Subscriptions

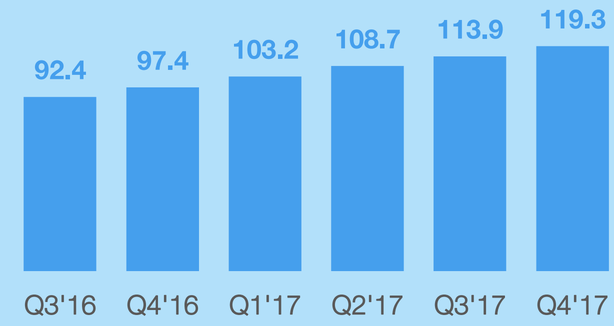
We continue to create new user cohorts that generate a significant amount of collections over a long period. **As of the end of 2017, our existing user cohorts will generate approximately $2.75 billion in collections over the next six years without the need for significant marketing expenses.**

In Q4, we added roughly 5.3 million registered users, a 7% increase over Q4 last year, bringing our total to 119.3 million at year end. For the full year, nearly 22 million users registered with Wix, an increase of 7% over last year when we added just over 20 million. **Over 61 million, or more than 51%, of our total registered users joined Wix within the last three years. This amount of new registered user additions is evidence of the large and growing market of businesses, organizations and individuals in need of building an online presence.**

We added over 170,000 net premium subscriptions in Q4, compared to 188,000 in Q3 and 171,000 in Q4 2016. Net additions in Q4 2017 were lower than both comparable periods due to the seasonality we typically experience in Q4 – a quarter which is driven mainly by renewal activity – as well as an exceptionally strong Q4 2016, making for a tough year over year comparable.

At year end 2017, we had 3.2 million premium subscriptions, a net increase of 758,000, or 31% y/y growth compared to the total number of subscriptions at the end of 2016. **Conversion of registered users into premium subscriptions is at all-time high rates and consistently improved**

Registered Users (in millions)



Premium Subscriptions (in millions)

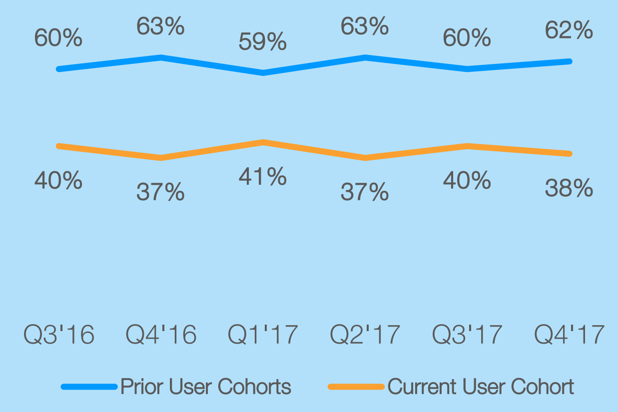
throughout 2017, demonstrating the continued advancement of our product offering and efficiency of our marketing investment as we acquire higher quality users.

We also continue to see improvements in the retention of subscriptions, as we again saw the highest percentage of renewed subscriptions in a quarter. The continued improvement in retention is attributed to user satisfaction with our product offerings and consistent improvements to non-voluntary cancellations as we continue to optimize our payment capabilities.

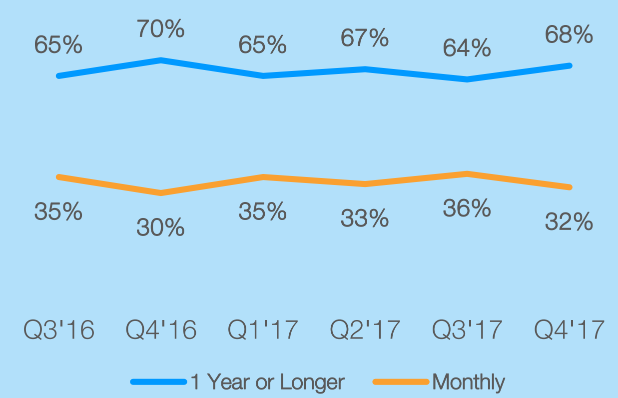
In Q4, 62% of gross subscription additions came from prior user cohorts, while 38% came from the Q4 2017 or current cohort, consistent with prior Q4 periods. Please note that it is incorrect to apply these percentages to net subscription additions by cohort.

In Q4, 68% of gross subscription additions were packages with a term of one year or longer, while 32% were monthly. The percent of annual and longer subscriptions was slightly lower than past Q4 periods as we continue to optimize for our TROI and the mix of monthly and annual subscriptions. **Users who joined Wix in cohorts created in the past continue to convert into premium subscriptions – with virtually no marketing expense – creating overall negative churn in our business.** This unique aspect is a testament to our strong product offering and the growing need in the market.

% Gross New Subscriptions by Cohort



% Gross New Subscriptions by Package Duration



Product Updates

Our vision remains to allow anyone to create a functional and stunning online presence, regardless of the user's need or skill level. We execute this vision by developing innovative technology and products that are intuitive to use and give creative freedom to the user.

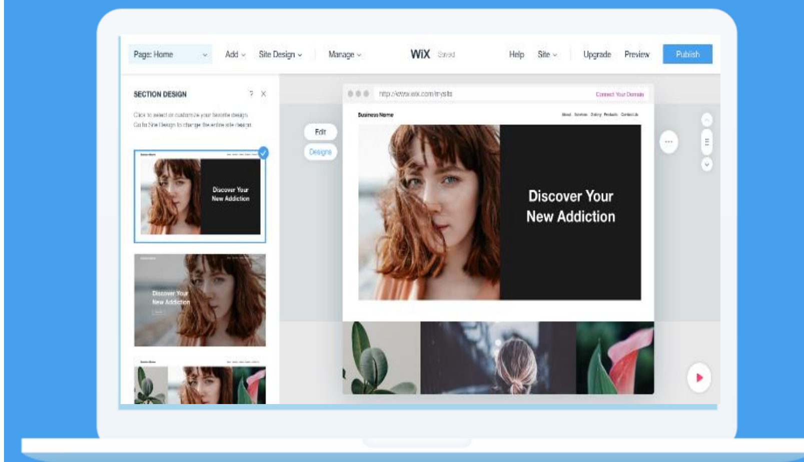
Our offering is anchored by the Wix Editor and bolstered by two products we have introduced and launched in the last two years, Wix Artificial Design Intelligence (ADI) and Wix Code. With this product platform, we are able to address the needs of any user, from the novice to the expert, and give them the ability to create any type of online presence.

A Breakout Year for Wix ADI

Wix ADI allows a user to create a website tailored to their specific business – with its own content – in minutes. Users can publish a website created by ADI, or further modify it in the Wix Editor before publishing. **The combination of Wix ADI and the Wix Editor provides a powerful offering that we believe is unrivaled in the market today.**

Since the addition of Wix ADI to our platform in August 2016, conversion of users to premium subscriptions on Wix has increased meaningfully. Subscriptions after four quarters in the Q1 2017 cohort grew 22% compared to the same point in the Q1 2016 cohort. This growth was the result of increased conversion driven by product development and is even more impressive given the user base grew 11% over the same period. This means that **Wix converted a larger number of users at a higher rate in its Q1 2017 cohort than in any previous Q1 cohort.**

Wix ADI



This performance proves the positive return of the incremental R&D investment in 2015 – 2016 related to ADI. Further, we believe we can generate even more returns as we roll the technology behind ADI into additional countries and leverage the ADI technology to create other new products on Wix.

In summary, 2017 was truly a momentous year for Wix ADI, and we are excited about the ongoing potential of this technology.

Wix Code

In July, we introduced Wix Code, a groundbreaking technology and product platform that enables designers and developers to create highly functional and robust websites and web applications. **We believe this product expands our addressable marketing significantly.**

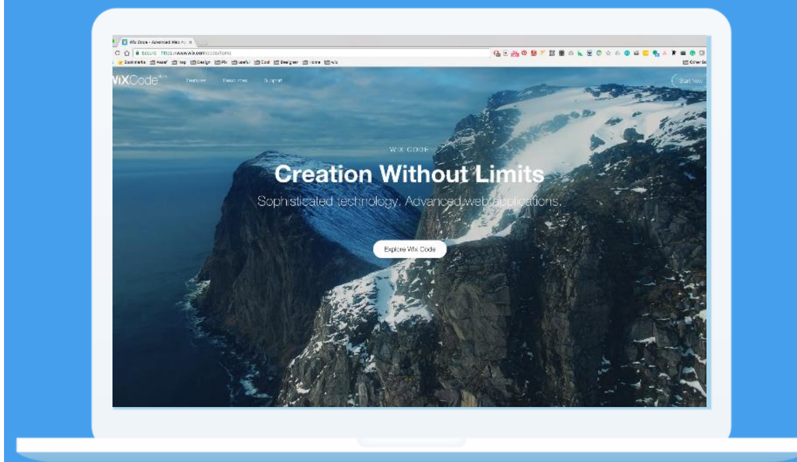
We opened Wix Code to all users globally in early December, and we have seen very strong results. To date, over 140,000 users have put Wix Code to use. Users are building a wide variety of new websites and applications. Since its launch, we have added many new features and functionality to Wix Code, and we plan to continue to optimize this product.

DeviantArt

We continue to update the DeviantArt platform and plan to re-launch it in 2018. The team leading DeviantArt is fully built out, and we are on track with our original plans. **We do not anticipate further investment in DeviantArt beyond what we outlined in our previous earnings calls.**

While we anticipate introducing the new DeviantArt platform this year, we do not expect to generate incremental collections in 2018, as we have previously stated.

Wix Code



Marketing

After initially deciding that we would not participate as an advertiser in Super Bowl LII, we were presented with a last minute opportunity that we could not turn down. As we did past Super Bowls, this opportunity presents us with a large platform on which we can highlight our brand.

Further, we wanted to take advantage of the great momentum that we have in Q1, which is further reflected in our guidance. We were able to make the decision quickly, compile the needed content and execute a campaign, which illustrates the excellence of our marketing team.

We view this year's Super Bowl campaign as an investment in our brand, and the near term results have been strong. **According to ListenFirst Media, Wix was the fifth most impacted brand across its social communities among ALL Super Bowl advertisers**.

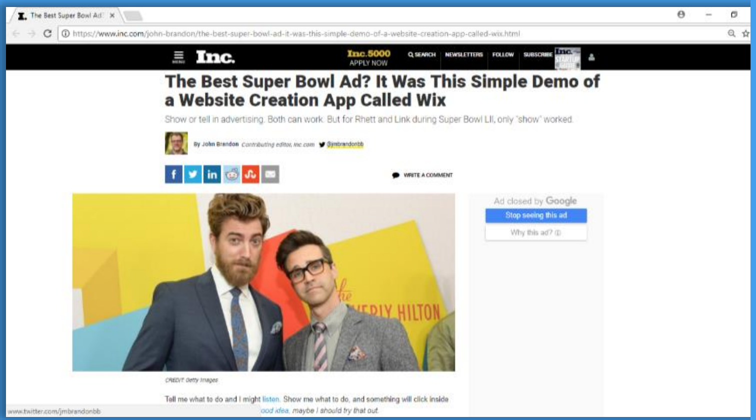
Google Partnership Agreement

We currently offer our users the ability to subscribe to G Suite by Google Cloud for personalized e-mail and other business productivity and collaboration tools such as cloud storage, file sharing and video conferencing enabled through Google's applications. We have partnered with Google on this product suite for several years and are one of the largest global distributors of G Suite.

Due to the scale and growth that both Google and we have experienced with this relationship, we recently updated the terms of our partnership agreement. **The new agreement results in improved commercial terms for Wix and demonstrates the strength of our alliance.**

We have grown our relationship with Google throughout the last year by expanding the breadth of products we collaborate on including G Suite,

Marketing



Google Cloud Platform, Google Maps API, YouTube and AdWords, as well as furthering our joint efforts with Cloud Media via the Wix Media Platform.

Change in recognition of collections and revenue

Due to the updated terms of our agreement, we are required to change the method by which we recognize collections and revenue from the sale of the Google applications.

As an agent to date, we have recognized only our net portion of the collections and revenue from sales; however, due to the change in our agreement, we are now considered a principal in these transactions. **As such, we must now recognize collections and revenue from these sales on a gross basis.**

This change to will have two impacts on our financial statements:

1. We will recognize 100% of the amount our users pay us, increasing both revenue and collections. We expect this change in accounting to generate roughly $30 million in additional collections and revenue in 2018.

2. We will recognize Google's share of the sale in cost of revenue, lowering our gross margin. We expect our gross margin will decline approximately 5% between 2017 and 2018 as a result.

This accounting change itself will have no impact on operating expenses, operating income, net cash from operating activities or free cash flow other than the benefits we will realize from the improved commercial terms.

Our 2018 guidance for revenue, collections, gross margin and free cash flow reflect the increased share we will receive as part of this revised arrangement and our anticipated y/y growth in sales of this product. We also include the impact of the accounting change from net to gross recognition.

Business Outlook

The following guidance for 2018 is based on the new revenue recognition standard ASC 606. The new standard requires us to recognize the full amount of revenue and cost from the sale of domain names and third party applications at the time of sale rather than over the term of the subscription. The new standard does not affect cash flow from operating activities or free cash flow.

We will use the modified retrospective method to affect this change in our financial statements. However, in order to compare our 2018 guidance with 2017 results, we have provided our 2017 results by quarter under the new standard ASC 606 in a separate presentation that is posted on our IR website.

Our guidance underscores the strength of our business heading into 2018. We believe we will continue to experience strong growth in revenue and collections while increasing free cash flow margins.

For Q1 2018, we expect the following:

- **Revenue of $135 - $136 million, reflecting y/y growth of 46% - 47%**
  - Excluding the $7 million benefit from the change in accounting associated with the Google agreement amendment, the range would be $128 - $129 million or 38% - 39% y/y growth

- **Collections of $157 - $158 million, a y/y increase of 37% - 38%**
  - This range includes roughly $7 million in benefit we will recognize in collections from the change in accounting for sales under our new partnership agreement with Google. Excluding this benefit, collections guidance would be $150 - $151 million, or 31% - 32% y/y growth

Q1'18 Guidance

GAAP Revenue

$135-136 million

+46-47% y/y growth

Collections

$157-158 million

+37-39% y/y growth

For FY 2018, we expect the following:

- **Revenue of $591 - $595 million, reflecting y/y growth of 39% - 40%**
  - Excluding the $30 million benefit from the change in accounting from net to gross revenue recognition associated with the new Google agreement, the range would be $561 - $565 million or 32% - 33% y/y growth

- **Collections of $645 - $653 million, a y/y increase of 33% - 35%**
  - This range includes an approximately $30 million benefit we will recognize in collections from the change in accounting for sales under our new partnership agreement with Google. Excluding this benefit, collections guidance would be $615 - $623 million or 27% - 29% y/y growth

- **Free cash flow of $98 - $100 million, a y/y increase of 39% - 41%**
  - Assuming net recognition of collections, free cash flow would increase from 15% to approximately 16% of collections in 2018 based on this guidance range

We have included the following assumptions as part of this guidance:

- Strong base growth of our business driven by ongoing conversion of users to premium subscriptions and retention of subscriptions in our existing user cohorts
- Growth in new marketing campaigns to create new cohorts
- Continued conversion benefits from our existing products:
  - Anticipated improvements to the Wix Editor and vertical applications
  - Continued success with Wix ADI, which we believe will contribute materially to 2018 growth
- Very modest growth in average collections per new subscription during 2018

FY 2018 Guidance

GAAP revenue

$591-595 million

+39-40% y/y growth

Collections

$645-653 million

+33-35% y/y growth

Free cash flow

$98-100 million

+39-41% y/y growth

- Improvement in conversion, subscription retention and ACPS we have experienced in the business since the beginning of 2018
- Benefits from the revised terms of our agreement with Google

While we believe we may realize some benefit from the following items, they are currently NOT part of our guidance:

- Incremental improvements in conversion, subscription retention and ACPS we may realize throughout the year
- Potential benefits from strengthening of our brand and optimization of marketing campaigns, our purchase funnel or payment capabilities
- Contribution from Wix Code
    - While we anticipate we will begin to see collections layer into the model sometime during the second half of 2018, we do not believe the impact will be material to the full year results
- Contributions from Wix ADI being introduced into non-English language markets
    - As Wix ADI becomes available in other languages, we may benefit from incremental collections, but we do not know the timing or magnitude as of now
- Contributions from new products to be announced
- Contributions from DeviantArt, which we do not anticipate until 2019

Based on what we know now, we anticipate that Q1 2018 will be our strongest quarter this year in terms of q/q incremental collections growth, and the remainder of the year will be consistent with the seasonality that we saw in 2017. Additionally, we may encounter headwinds to collections growth in Q2 due to the 2018 World Cup.

We believe Q4 2018 will have larger q/q incremental collections growth than Q2 and Q3 given the heavy renewal activity that we typically experience in this quarter.

Regarding free cash flow, we believe Q1 2018 will be sequentially flat or lower than Q4 2017 given higher marketing expenses in the quarter. Similar to 2017, we anticipate free cash flow will increase sequentially each quarter after Q1 2018.

We are providing the following additional guidance for FY 2018. Unless noted, all guidance is based on the amended Google agreement and the principal or gross recognition of collections and revenue:

- **Non-GAAP gross margin:** we expect non-GAAP gross margin of approximately 80% of revenue
    - Assuming we would continue to recognize revenue from our revised Google partnership agreement using net or agent recognition, we anticipate non-GAAP gross margin would be approximately 85% of revenue

- **Non-GAAP Sales and Marketing Expenses:** S&M expense on a non-GAAP basis as % of collections of 35% - 36% of collections for the full year 2018
    - We estimate non-GAAP S&M expenses will be approximately 41% of collections in Q1 2018, higher than the full year consistent with past Q1's

- **Non-GAAP Operating Expenses:** Total non-GAAP operating expenses as a % of collections are expected to be 66% - 67% of collections for FY 2018.

- **FX rates:** Our guidance for operating expenses and free cash flow assumes current FX rates between the New Israeli Shekel (NIS) and the US Dollar. If the NIS continues to strengthen, it will negatively affect our free cash flow
    - We have hedges on the NIS in place through June 2018 and will continue to roll our hedges forward throughout the year at the prevailing spot rates
    - Note that our model has a natural hedge on free cash flow. While our cash flow may be negatively impacted by appreciation in the

Additional 2018 Guidance

Non-GAAP gross margin

80% of revenue

for FY 2018

Non-GAAP sales & marketing expense

35-36% of collections

for FY 2018

41% of collections

for Q1 2018

Total Non-GAAP operating expenses

66-67% of collections

for FY 2018

NIS relative to the US Dollar, we may also benefit from higher collections as a result of the GBP and Euro appreciating

- **Financial and other expenses:** Approximately $6 million for the full year 2018
- **Tax expense:** Approximately $6 million for the full year 2018
- **Stock based compensation expense:** we anticipate SBC expense to be approximately $62-63 million for the full year 2018. The expense may fluctuate during the year due to the change in our stock price.
- **Share count:** we estimate we will have approximately 49 million basic shares outstanding at the end of full year 2018.
    - We estimate that dilutive shares would add approximately 10 million shares to our basic share count
    - We have included a new table in our earnings release that details our basic and fully diluted weighted average shares outstanding for the calculation of EPS
    - Please note that basic weighted average shares outstanding is equal to fully diluted weighted shares outstanding to calculate fully diluted EPS as long as there is a GAAP net loss

Additional 2018 Guidance

Financial and other expenses

~$6 million

for FY 2018

Tax expenses

~$6 million

for FY 2018

Stock based compensation expenses

~$62-63 million

for FY 2018

Based shares outstanding

49-50 million

at FYE 2018

Fully diluted shares outstanding

59-61 million

at FYE 2018

Outlook Summary

Q1 2018

Non-GAAP, $ in thousands, except per share data

	Q1'17 As reported ASC 605 Net (Agent)	Q1'17 Pro forma ASC 606 Net (Agent)	Q1'18E Guidance ASC 606 Gross (Principal)
Accounting standard Coll. and Rev. Recognition of Google sales			
Collections	**$ 114,546**	**$ 114,546**	**$ 157,000 - $ 158,000**
y/y%	*51%*	*51%*	*37% - 38%*
Revenue	**$ 92,538**	**$ 94,850**	**$ 135,000 - $ 136,000**
y/y%	*50%*	*54%*	*46% - 47%*
Gross margin (% revenue)	**85%**	**84%**	**~80%**
S&M % of collections	46%	46%	~41%
Total opex % of collections	75%	75%	~72%
Financial / other expense (income) , net	(148)	(148)	
Tax expense	562	562	
FCF	**$ 14,781**	**$ 14,781**	
Capital expenditures	1,616	1,616	
SBC Expense	8,982	8,982	
Cash acquisition related costs	3,765	3,765	

Revenue and collections guidance for Q1 2018 includes an additional $7 million benefit to both due to a change in accounting effective in 2018 related to the amended terms of our partnership agreement with Google. Excluding the accounting change, Q1 2018 revenue guidance would be $128-$129 million, or 38% - 39% y/y growth and Q1 2018 collections would be $150 - $151 million, or 31% - 32% y/y growth

Full Year 2018

Non-GAAP, $ in thousands, except per share data

	FY 2017 As reported	FY 2017 Pro forma	FY 2018E Guidance
Accounting standard	ASC 605	ASC 606	ASC 606
Coll. and Rev. Recognition of Google sales	Net (Agent)	Net (Agent)	Gross (Principal)
Collections	**$ 483,989**	**$ 483,989**	**$ 645,000 - $ 653,000**
y/y%	*41%*	*41%*	*33% - 35%*
Revenue	**$ 425,636**	**$ 432,615**	**$ 591,000 - $ 595,000**
y/y%	*47%*	*49%*	*39% - 40%*
Gross margin (% revenue)	**85%**	**84%**	**~80%**
S&M % of collections	40%	40%	35% - 36%
Total opex % of collections	72%	72%	66% - 67%
Financial / other expense (income) , net	4,939	4,939	~6,000
Tax expense	4,709	4,709	~6,000
FCF	**$ 70,683**	**$ 70,683**	**$ 98,000 - $ 100,000**
Capital expenditures	12,369	12,369	~12,000 - 13,000
SBC Expense	47,700	47,700	~62,000 - 63,000
Cash acquisition related costs	8,657	8,657	~5,000
Basic shares outstanding	~46 million		~49 - 50 million
Fully diluted shares outstanding	~57 million		~59 - 61 million

Revenue and collections guidance for FY 2018 includes an additional $30 million benefit to both due to a change in accounting effective in 2018 related to the amended terms of our partnership agreement with Google. Excluding the accounting change, FY 2018 revenue guidance would be $561-$565 million, or 32-33% y/y growth and FY 2018 collections guidance would be $615-623 million, or 27-29% y/y growth

Conference Call and Webcast Information

Wix will host a conference call at 8:30 a.m. ET on Wednesday, February 14, 2018 to answer questions about the financial and operational performance of the business during the fourth quarter and full year 2017. The conference call will include a brief statement by management and will focus on answering questions about our results during the quarter. To enhance the Q&A portion of this call, the Company has posted a shareholder update, and supporting slides to its Investor Relations website at https://investors.wix.com/results. These materials provide shareholders and analysts with additional detail for analyzing results in advance of the quarterly conference call.

To participate on the live call, analysts and investors should dial 866-393-4306 (US/Canada), 734-385-2616 (International) or 1-809-315-362 (Israel) at least ten minutes prior to the start time of the call and reference Conference ID 4482927. A telephonic replay of the call will be available through February 21, 2018 at 11:59 p.m. ET by dialing 855-859-2056 (US/Canada) or 404-537-3406 (International) and providing Conference ID 4482927.

Wix will also offer a live and archived webcast of the conference call, accessible from the "Investor Relations" section of the Company's website at https://investors.wix.com/.

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, non-GAAP gross margin, non-GAAP operating income (loss), free cash flow, non-GAAP net income (loss), non-GAAP net income (loss) per share, non-GAAP R&D expense, non-GAAP S&M expense, and non-GAAP G&A expense (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. Non-GAAP gross margin represents gross profit calculated in accordance with GAAP as adjusted for the impact of share-based compensation expense, acquisition-related costs and amortization, divided by revenue. Non-GAAP operating income (loss) represents operating income (loss) calculated in accordance with GAAP as adjusted for the impact of share-based compensation expense, amortization, and acquisition-related costs. Non-GAAP R&D expense represents R&D expense calculated in accordance with GAAP as adjusted for the impact of share-based compensation expense, acquisition-related costs and amortization. Non-GAAP S&M expense represents S&M expense calculated in accordance with GAAP as adjusted for the impact of share-based compensation expense, acquisition-related costs and amortization. Non-GAAP G&A expense represents G&A expense calculated in accordance with GAAP as adjusted for the impact of share-based compensation expense, withdrawn secondary offering expenses 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 income (loss) per share represents non-GAAP net income (loss) divided by the weighted average number of shares used in computing GAAP income (loss) per share. Free cash flow represents 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 these measures provide 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 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 its guidance as to free cash flow 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.

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, including, but not limited to, revenue, collections and free cash flow, and the availability, merchantability or functionality of certain new products or features and their anticipated product demand and customer satisfaction, 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, including the full year guidance, are based on management’s current expectations, which are subject to uncertainty, risks and changes in circumstances that are difficult to predict, including the timing of product releases, 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; our ability to effectively execute our initiatives to scale and improve our user support function; customer acceptance of new products and other challenges inherent in new product development, 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 2016 annual report on Form 20-F filed with the Securities and Exchange Commission on March 28, 2017. 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.

Reconciliation of GAAP to non-GAAP measures

in 000s	2016 Q1	2016 Q2	2016 Q3	2016 Q4	2017 Q1	2017 Q2	2017 Q3	2017 Q4	Full Year 2015	Full Year 2016	Full Year 2017
Revenue	$61,586	$68,730	$75,611	$84,176	$92,538	$103,522	$111,031	$118,545	$203,518	$290,103	$425,636
Change in deferred revenue	$14,108	$12,723	$11,659	$13,476	$22,008	$13,599	$9,088	$13,658	$38,169	$51,966	$58,353
Collections	$75,694	$81,453	$87,270	$97,652	$114,546	$117,121	$120,119	$132,203	$241,687	$342,069	$483,989

in 000s	2016 Q1	2016 Q2	2016 Q3	2016 Q4	2017 Q1	2017 Q2	2017 Q3	2017 Q4	Full Year 2015	Full Year 2016	Full Year 2017
GAAP Gross Profit	$51,079	$57,712	$64,587	$71,438	$77,675	$85,497	$92,204	$100,869	$168,548	$244,816	$356,245
Share Based Compensation	$428	$475	$466	$429	$506	$695	$783	$946	$1,353	$1,798	$2,930
Amortization	$0	$0	$0	$0	$0	$1,040	$757	($1,292)	$0	$0	$505
Acquisition Related Expenses & Withdrawn Secondary Expense	$0	$0	$0	$0	$28	$0	$0	$0	$0	$0	$28
Non-GAAP Gross Profit	$51,507	$58,187	$65,053	$71,867	$78,209	$87,232	$93,744	$100,523	$169,901	$246,614	$359,708

in 000s	2016 Q1	2016 Q2	2016 Q3	2016 Q4	2017 Q1	2017 Q2	2017 Q3	2017 Q4	Full Year 2015	Full Year 2016	Full Year 2017
GAAP Operating Loss	($19,768)	($10,490)	($9,032)	($4,742)	($20,471)	($10,563)	($11,454)	($7,523)	($48,635)	($44,032)	($50,011)
Share Based Compensation	$6,137	$6,927	$7,163	$7,821	$8,982	$11,979	$13,035	$13,704	$18,733	$28,048	$47,700
Amortization	$187	$186	$188	$187	$186	$1,240	$948	$379	$636	$747	$2,753
Acquisition Related Expenses & Withdrawn Secondary Expense	$1,183	$397	$514	$614	$3,765	$860	$889	$3,143	$0	$2,708	$8,657
Non-GAAP Operating Loss	($12,262)	($2,980)	($1,167)	$3,879	($7,538)	$3,516	$3,418	$9,703	($29,267)	($12,529)	$9,099

in 000s	2016 Q1	2016 Q2	2016 Q3	2016 Q4	2017 Q1	2017 Q2	2017 Q3	2017 Q4	Full Year 2015	Full Year 2016	Full Year 2017
GAAP Net Loss	($19,912)	($11,420)	($9,643)	($5,921)	($20,885)	($14,264)	($14,519)	($6,605)	($51,334)	($46,896)	($56,273)
Share Based Compensation & Other Non-GAAP Adjustments	$7,682	$7,707	$8,073	$8,879	$12,933	$14,078	$14,872	$13,840	$19,980	$32,341	$55,724
Non-GAAP Net Loss	($12,230)	($3,713)	($1,571)	$2,958	($7,952)	($186)	$353	$7,325	($31,354)	($14,555)	($549)

in 000s	2016 Q1	2016 Q2	2016 Q3	2016 Q4	2017 Q1	2017 Q2	2017 Q3	2017 Q4	Full Year 2015	Full Year 2016	Full Year 2017
Research and development (GAAP)	$24,472	$25,483	$26,536	$28,877	$32,669	$36,749	$40,252	$43,965	$77,647	$105,368	$153,635
Options compensation	$3,111	$3,558	$3,718	$4,156	$4,726	$6,586	$7,190	$7,725	$9,234	$14,543	$26,227
Aquisition related expenses	$1,183	$397	$514	$614	$1,713	$860	$889	$2,107	$0	$2,708	$5,569
Amortization	$137	$136	$138	$137	$136	$138	$136	$136	$436	$547	$546
Non-GAAP research and development	$20,041	$21,392	$22,167	$23,970	$26,094	$29,165	$32,037	$33,997	$67,978	$87,570	$121,293
Selling and marketing (GAAP)	$40,454	$36,026	$40,010	$40,022	$54,329	$48,016	$51,184	$50,906	$120,010	$156,512	$204,435
Options compensation	$981	$1,122	$1,237	$1,213	$1,419	$1,778	$1,826	$1,562	$3,077	$4,553	$6,585
Aquisition related expenses	$0	$0	$0	$0	$611	$0	$0	$496	$0	$0	$1,107
Amortization	$50	$50	$50	$50	$50	$62	$55	$1,535	$200	$200	$1,702
Non-GAAP selling and marketing	$39,423	$34,854	$38,723	$38,759	$52,249	$46,176	$49,303	$47,313	$116,732	$151,759	$195,041
General and administrative (GAAP)	$5,921	$6,693	$7,073	$7,281	$11,148	$11,295	$12,222	$13,521	$19,526	$26,968	$48,186
Options compensation	$1,617	$1,772	$1,743	$2,022	$2,331	$2,920	$3,236	$3,471	$5,069	$7,154	$11,958
Withdrawn secondary offering expenses	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Acquisition related expenses	$0	$0	$0	$0	$1,413	$0	$0	$540	$0	$0	$1,953
Non-GAAP general and administrative	$4,304	$4,921	$5,330	$5,259	$7,404	$8,375	$8,986	$9,510	$14,457	$19,814	$34,275