



Q1 2015 Earnings Summary



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 the company’s annual report on Form 20-F filed with the Securities and Exchange Commission on March 31, 2015. 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, adjusted EBITDA, 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. Adjusted EBITDA is defined as net 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. 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, 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 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 2015



\$55.9 Million
Collections¹



\$44.5 Million
Revenue



62.5 Million
**Registered
Users**



1.37 Million
**Premium
Subscribers**

¹\$59.6 million collections on a constant currency basis

Q1 2015 Highlights

Financial Highlights:

- Collections of \$55.9 million, 49% Y/Y growth, 59% Y/Y growth on a constant currency basis
- Revenue of \$44.5 million, 54% Y/Y growth
- Strong premium subscription growth – 138,000 net adds, 51% Y/Y growth
- Adjusted EBITDA of \$(0.5) million
- Increasing adjusted EBITDA guidance for the second time since February

Business Highlights:

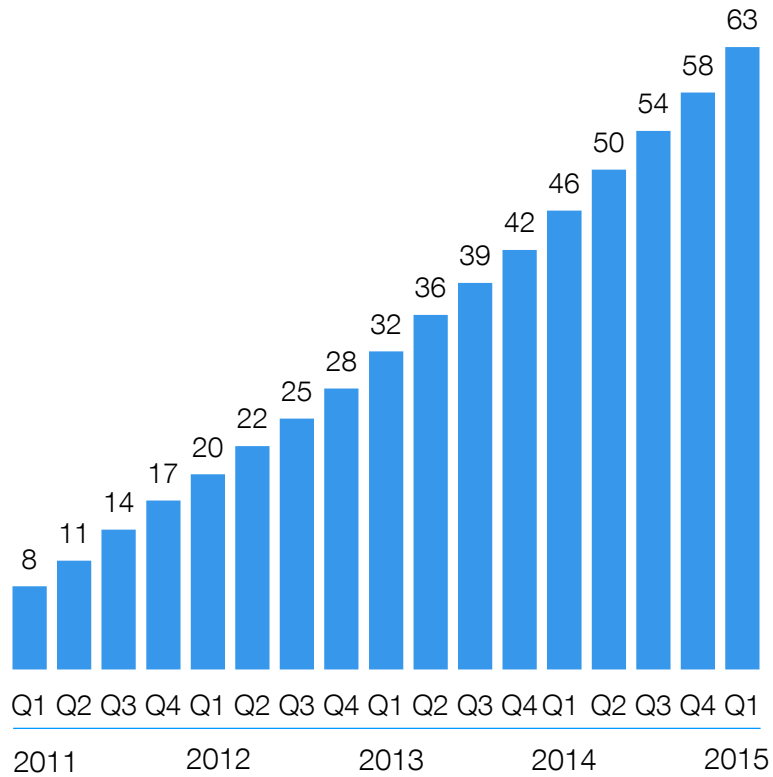
- **Launched WixMusic:** enables musicians to integrate into their Wix website an advanced music player, an easy to use digital asset management system and e-commerce capabilities to sell music commission-free
- **Continued mobile growth:** over 7.8 million mobile sites created on the Wix platform to date
- **Significant platform engagement:** To date, users have saved over 100 million contacts onto the Wix platform

Users and Subscriptions

Registered Users

(Millions, at End of Period)

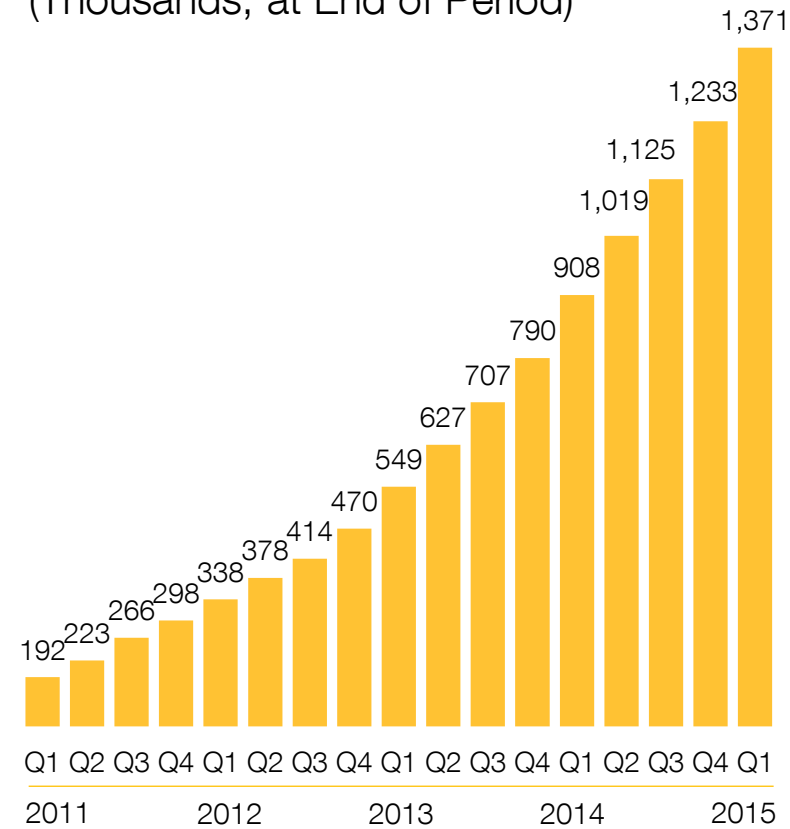
35%
Y/Y



Premium Subscriptions

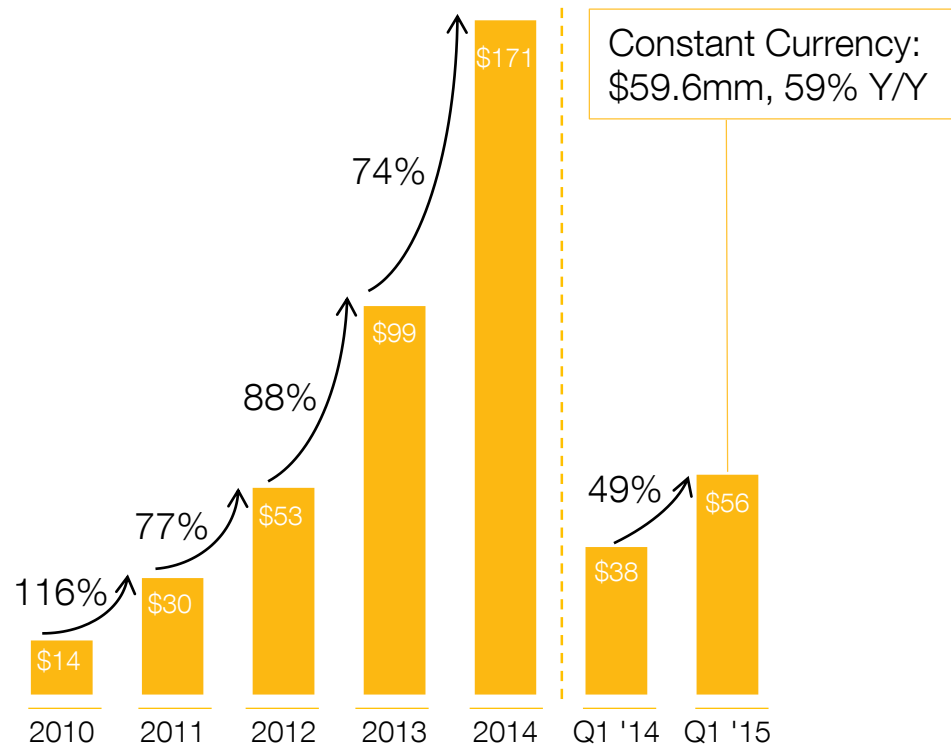
(Thousands, at End of Period)

51%
Y/Y

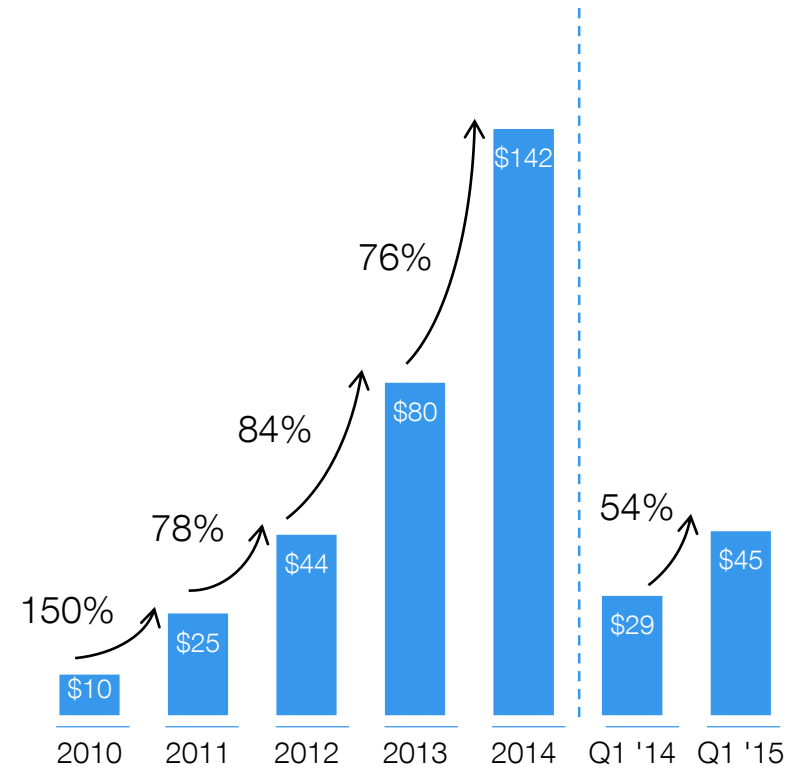


Collections and Revenues

Collections
(\$ Millions)

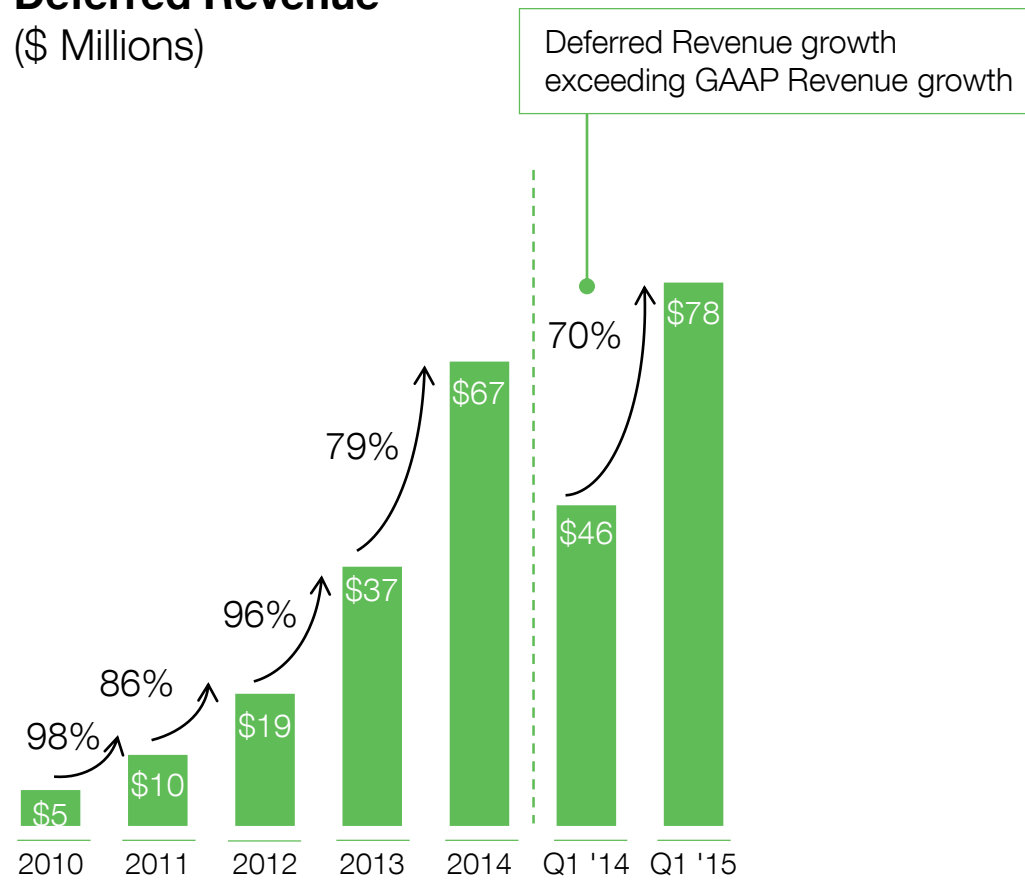


Revenues
(\$ Millions)

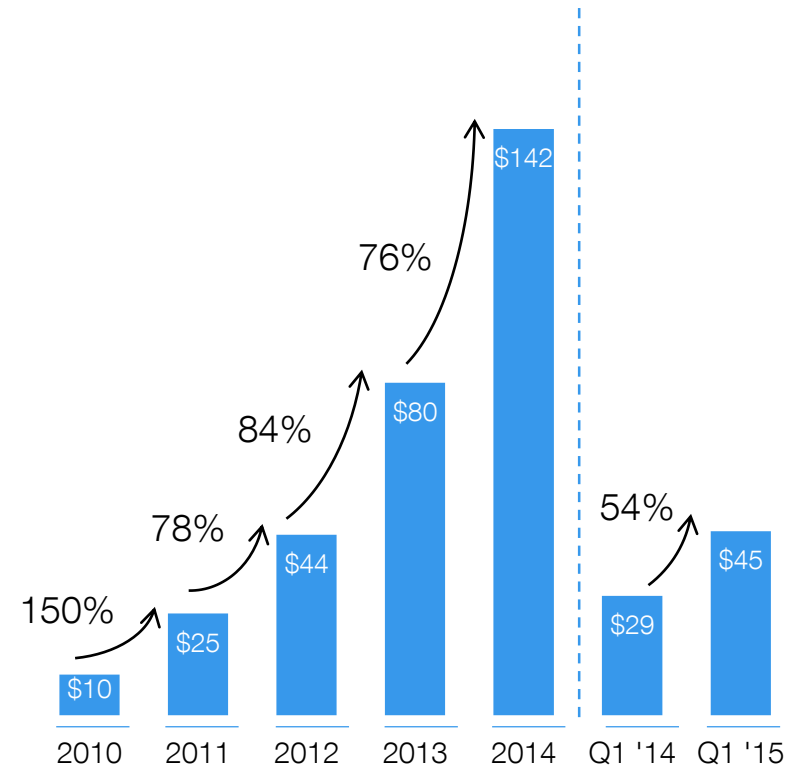


Deferred Revenue Growth

Deferred Revenue
(\$ Millions)



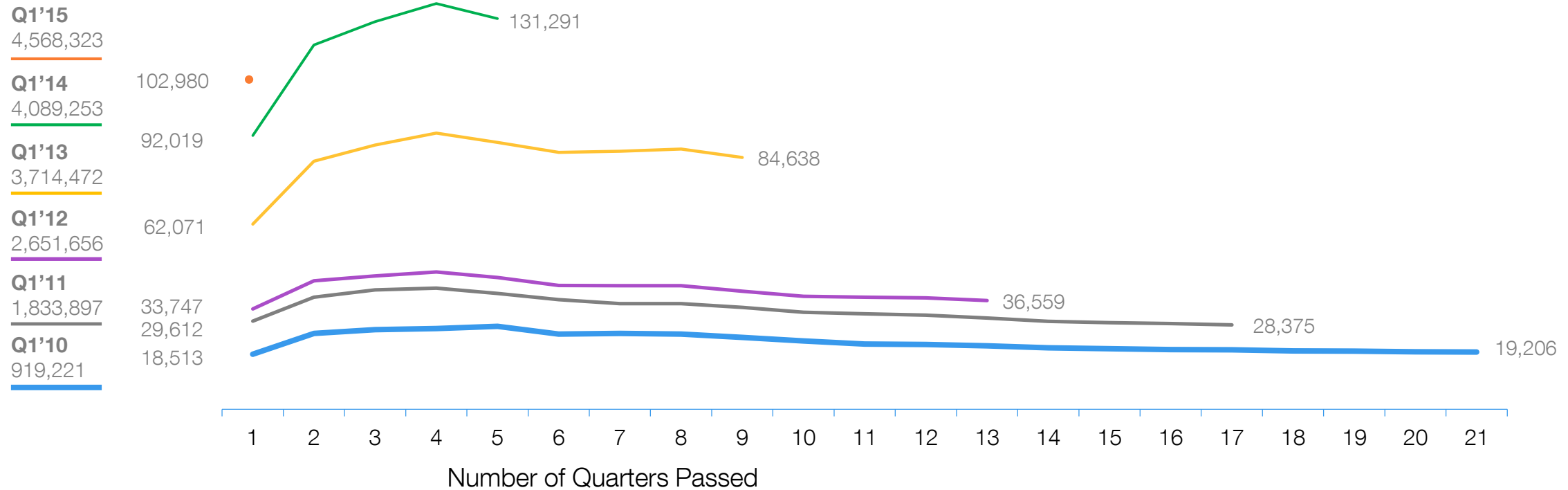
Revenues
(\$ Millions)



Consistent Behavior

Active Premium Subscriptions from Q1 User Cohorts

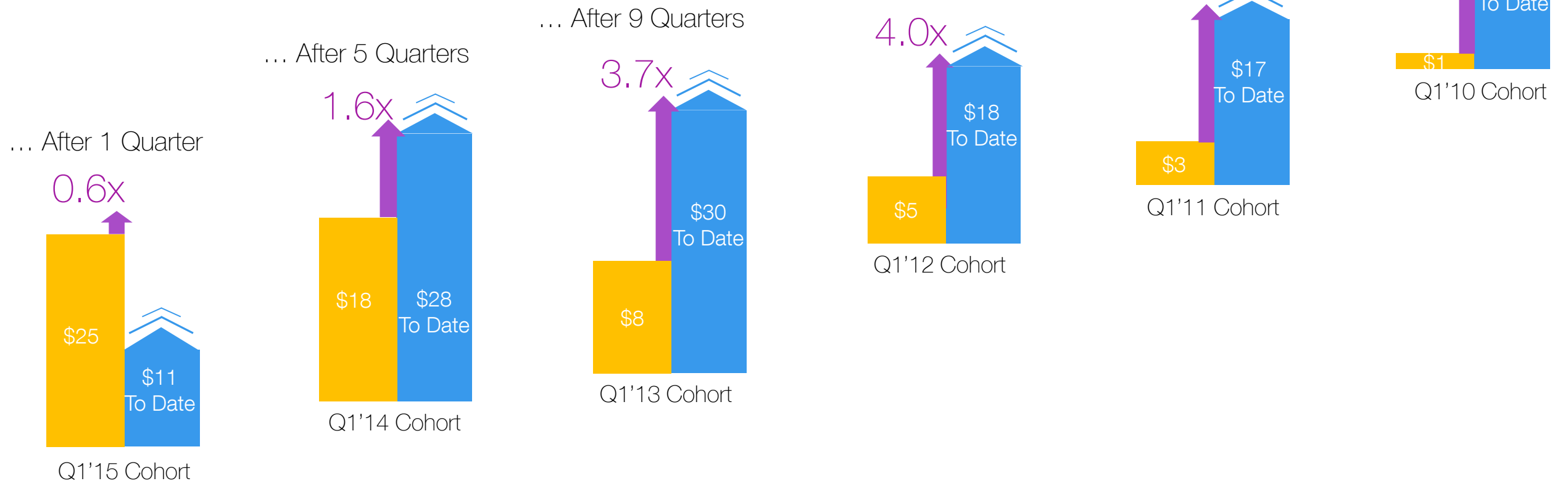
New
Registered
Users



Note: Data as of March 31, 2015

Marketing Efficiency

One Time Marketing, Ongoing Monthly Collections

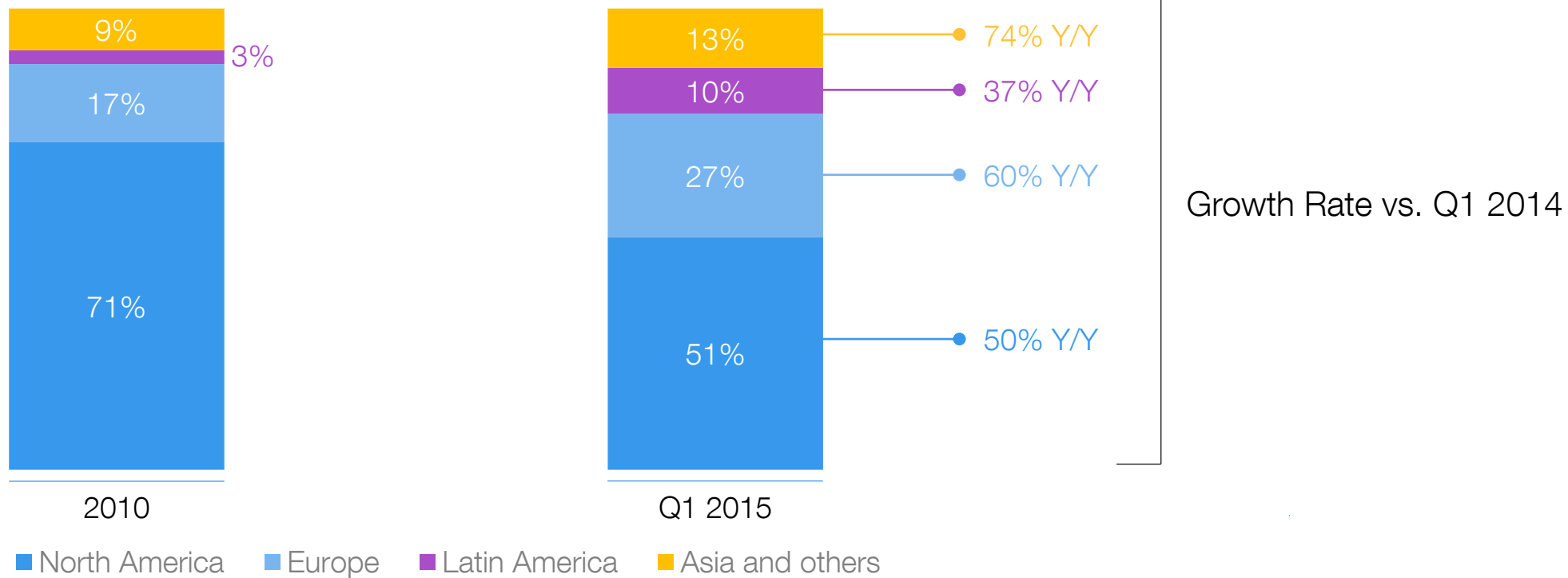


Marketing Cost (\$mm) Cohort Net Collections (\$mm)

Data as of March 31, 2015

Increasing Geographic Penetration

Revenue by Geography
(% of total revenue)



Overview of FX Impact

(in thousands)	Q1 '14	Q1 '15	Y/Y%
Collections	\$37,515	\$55,869	
F/X impact on Q1/15 using Q1/14 rates	-	3,739	
Collections excluding FX impact	\$37,515	\$59,608	59%

(in thousands)	Q4 '14	Q1 '15	Q/Q%
Collections	\$49,279	\$55,869	
F/X impact on Q1/15 using Q4/14 rates	-	1,829	
Collections excluding FX impact	\$49,279	\$57,698	17%

Non GAAP Financial Results

(in thousands)	2012	2013	2014	Q1 '14	Q1 '15	Y/Y%
Collections	\$52,479	\$98,673	\$171,255	\$37,515	\$55,869	49%
Revenues	\$43,676	\$80,473	\$141,841	\$28,847	\$44,524	54%
Gross Margin %	79%	82%	82%	82%	83%	
R&D expenses	\$16,229	\$26,511	\$51,120	\$10,711	\$15,384	44%
% of revenues	37%	33%	36%	37%	35%	
S&M expenses	\$28,956	\$52,591	\$95,173	\$21,644	\$31,357	45%
% of revenues	66%	65%	67%	75%	70%	
% of collections	55%	53%	56%	58%	56%	
G&A expenses	\$3,304	\$6,077	\$11,569	\$2,552	\$3,392	33%
% of revenues	8%	8%	8%	9%	8%	
Adjusted EBITDA	(\$5,354)	(\$1,897)	(\$11,260)	(\$2,886)	(\$493)	N/M
% of revenues	12%	2%	8%	10%	1%	
Net Loss	(\$13,718)	(\$20,953)	(\$40,247)	(\$11,316)	(\$11,711)	N/M
% of revenues	31%	26%	28%	39%	23%	

Non GAAP Financial Summary

(in thousands)	2012	2013	2014	Q1 '14	Q1 '15
Revenues	\$43,676	\$80,473	\$141,841	\$28,847	\$44,524
Gross Profit	\$34,548	\$65,706	\$116,738	\$23,785	\$37,008
Gross Margin	79%	82%	82%	82%	83%
Net Loss	(\$13,718)	(\$20,953)	(\$40,247)	(\$11,316)	(\$11,711)
Adjusted EBITDA	(\$5,354)	(\$1,897)	(\$11,260)	(\$2,886)	(\$493)

APPENDIX

Reconciliation of GAAP to Non-GAAP

(in thousands)	2012	2013	2014	Q1 '14	Q1 '15
Revenues	\$43,676	\$80,473	\$141,841	\$28,847	\$44,524
Change in Deferred Revenues	8,803	18,200	29,414	8,668	11,345
Collections	\$52,479	\$98,673	\$171,255	\$37,515	\$55,869

Reconciliation of GAAP to Non-GAAP

(in thousands)	2012	2013	2014	Q1 '14	Q1 '15
GAAP Net Loss	(\$14,972)	(\$28,720)	(\$56,566)	(\$14,917)	(\$16,026)
<u>Adjustments:</u>					
Interest, bank charges & other financial expenses (income), net	(487)	(18)	262	(118)	332
Unrealized losses (gains) on hedging transactions	-	469	(2,124)	(122)	(1,063)
Other expenses (income)	2	18	14	3	(1)
Taxes on income	496	1,572	3,052	501	556
Depreciation	871	1,229	2,662	472	925
Amortization	-	-	153	-	155
Withdrawn secondary offering expenses	-	-	365	365	-
Acquisition related expenses	-	-	65	65	-
Stock-based compensation	1,020	7,054	13,937	2,945	4,048
Change in deferred revenue	8,803	18,200	29,414	8,668	11,345
Change in prepaid domain registration costs	(1,087)	(1,701)	(2,494)	(748)	(764)
Adjusted EBITDA	(\$5,354)	(\$1,897)	(\$11,260)	(\$2,886)	(\$493)

Reconciliation of GAAP to Non-GAAP

(in thousands)	2012	2013	2014	Q1 '14	Q1 '15
GAAP Gross Profit	\$34,443	\$65,216	\$115,733	\$23,607	\$36,713
Stock-based Compensation	105	490	1,005	178	295
Non-GAAP Gross Profit	\$34,548	\$65,706	\$116,738	\$23,785	\$37,008
GAAP Net Loss	(\$14,972)	(\$28,720)	(\$56,566)	(\$14,917)	(\$16,026)
Stock-based Compensation and other Non GAAP Adjustments	1,254	7,767	16,319	3,601	4,315
Non-GAAP Net Loss	(\$13,718)	(\$20,953)	(\$40,247)	(\$11,316)	(\$11,711)