

**Wayfair Announces Third Quarter 2025 Results,
Reports Substantial Growth in Orders Delivered and Profitability**

Q3 Net Revenue of \$3.1 billion with 21.2 million Active Customers

BOSTON, MA — October 28, 2025 — Wayfair Inc. (“Wayfair,” “we,” or “our”) (NYSE: W), the destination for all things home, today reported financial results for its third quarter ended September 30, 2025.

Third Quarter 2025 Financial Highlights

- Total net revenue of \$3.1 billion, increased \$233 million, up 8.1% year over year. Total net revenue excluding the impact of our exit from the German market grew 9.0% year over year
- U.S. net revenue of \$2.7 billion, increased \$216 million, up 8.6% year over year
- International net revenue of \$389 million, increased \$17 million, up 4.6% year over year. International Net Revenue Constant Currency Growth was 3.5%
- Gross profit was \$934 million, or 30.0% of total net revenue
- Net loss was \$99 million and Non-GAAP Adjusted EBITDA was \$208 million
- Diluted loss per share was \$0.76 and Non-GAAP Adjusted Diluted Earnings Per Share was \$0.70
- Net cash provided by operating activities was \$155 million and Non-GAAP Free Cash Flow was \$93 million
- Cash, cash equivalents and short-term investments totaled \$1.2 billion and total liquidity was \$1.7 billion, including availability under our revolving credit facility

“The third quarter was a great success - share gain further accelerated, with revenue growing 9% year-over-year excluding Germany. We saw orders delivered grow by over 5% year-over-year in the quarter, including new orders now growing mid-single digits for two quarters in a row. This came in tandem with more than 70% year-over-year growth in Adjusted EBITDA. Our 6.7% Adjusted EBITDA margin marks the highest level achieved in Wayfair’s history outside of the pandemic period. As we’ve promised, substantial profitability flow through is powered by a strong contribution margin and fixed cost discipline as our business has returned to growth,” said Niraj Shah, CEO, co-founder and co-chairman, Wayfair.

Other Third Quarter Highlights

- Active customers totaled 21.2 million as of September 30, 2025, a decrease of 2.3% year over year
- LTM net revenue per active customer was \$578 as of September 30, 2025, an increase of 6.1% year over year
- Orders per customer, measured as LTM orders delivered divided by active customers, was 1.87 for the third quarter of 2025, compared to 1.85 for the third quarter of 2024
- Orders delivered in the third quarter of 2025 were 9.8 million, an increase of 5.4% year over year
- Repeat customers placed 80.1% of total orders delivered in the third quarter of 2025, compared to 79.9% in the third quarter of 2024
- Repeat customers placed 7.9 million orders in the third quarter of 2025, an increase of 6.8% year over year.
- Average order value was \$317 in the third quarter of 2025, compared to \$310 in the third quarter of 2024
- 63.0% of total orders delivered were placed via a mobile device in the third quarter of 2025, compared to 62.9% in the third quarter of 2024

Key Financial Statement and Operating Metrics

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
(in millions, except LTM net revenue per active customer, average order value and per share data)				
Key Financial Statement Metrics:				
Net revenue	\$ 3,117	\$ 2,884	\$ 9,120	\$ 8,730
Gross profit	\$ 934	\$ 873	\$ 2,755	\$ 2,633
Income (Loss) from operations	\$ 38	\$ (74)	\$ (67)	\$ (344)
Net loss	\$ (99)	\$ (74)	\$ (197)	\$ (364)
Loss per share				
Basic	\$ (0.76)	\$ (0.60)	\$ (1.54)	\$ (2.98)
Diluted	\$ (0.76)	\$ (0.60)	\$ (1.54)	\$ (2.98)
Net cash provided by operating activities	\$ 155	\$ 49	\$ 332	\$ 155
Key Operating Metrics:				
Active customers ⁽¹⁾	21	22	21	22
LTM net revenue per active customer ⁽²⁾	\$ 578	\$ 545	\$ 578	\$ 545
Orders delivered ⁽³⁾	10	9	29	29
Average order value ⁽⁴⁾	\$ 317	\$ 310	\$ 315	\$ 303
Non-GAAP Financial Measures:				
Adjusted EBITDA	\$ 208	\$ 119	\$ 519	\$ 357
Free Cash Flow	\$ 93	\$ (9)	\$ 184	\$ (19)
Adjusted Diluted Earnings per Share	\$ 0.70	\$ 0.22	\$ 1.73	\$ 0.38

- ⁽¹⁾ The number of active customers represents the total number of individual customers who have purchased at least once directly from our sites during the preceding twelve-month period. The change in active customers in a reported period captures both the inflow of new customers as well as the outflow of existing customers who have not made a purchase in the last twelve months. We view the number of active customers as a key indicator of our growth.
- ⁽²⁾ LTM net revenue per active customer represents our total net revenue in the last twelve months divided by our total number of active customers for the same preceding twelve-month period. We view LTM net revenue per active customer as a key indicator of our customers' purchasing patterns, including their initial and repeat purchase behavior.
- ⁽³⁾ Orders delivered represent the total orders delivered in any period, inclusive of orders that may eventually be returned. As we ship a large volume of packages through multiple carriers, actual delivery dates may not always be available, and as such we estimate delivery dates based on historical data. We recognize net revenue when an order is delivered, and therefore orders delivered, together with average order value, is an indicator of the net revenue we expect to recognize in a given period. We view orders delivered as a key indicator of our growth.
- ⁽⁴⁾ We define average order value as total net revenue in a given period divided by the orders delivered in that period. We view average order value as a key indicator of the mix of products on our sites, the mix of offers and promotions and the purchasing behavior of our customers.

Webcast and Conference Call

Wayfair will host a conference call and webcast to discuss its third quarter 2025 financial results today at 8 a.m. (ET). Investors and participants should register for the call in advance by visiting <https://registrations.events/direct/Q4I5693281>. After registering, instructions will be shared on how to join the call. The call will also be available via live webcast at <https://events.q4inc.com/attendee/865829734>. An archive of the webcast conference call will be available shortly after the call ends on Wayfair's Investor website at investor.wayfair.com. Important information may be disseminated initially or exclusively via the Investor website; investors should consult the site to access this information.

About Wayfair

Wayfair is the destination for all things home, and we make it easy to create a home that is just right for you. Whether you're looking for that perfect piece or redesigning your entire space, Wayfair offers quality finds for every style and budget, and a seamless experience from inspiration to installation.

The Wayfair family of brands includes:

- ***Wayfair***: Every style. Every home.
- ***AllModern***: Modern made simple.
- ***Birch Lane***: Classic style for joyful living.
- ***Joss & Main***: The ultimate style edit for home.
- ***Perigold***: The destination for luxury home.
- ***Wayfair Professional***: A one-stop Pro shop.

Wayfair generated \$12.2 billion in net revenue for the twelve months ended September 30, 2025 and is headquartered in Boston, Massachusetts with global operations.

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Forward-Looking Statements

This press release contains forward-looking statements within the meaning of federal and state securities laws. All statements other than statements of historical fact contained in this press release are forward-looking statements, including statements regarding our investment plans and anticipated returns on those investments; our plans for customer accretion and growth; our future results of operations and financial position, including the exit from the German market; available liquidity and access to financing sources; our business strategy, plans and objectives of management for future operations, including our international growth and omni-channel strategy; consumer activity and behaviors; developments in our technology and systems, including our investment in generative AI, and anticipated results of those developments; and the impact of macroeconomic events, including interest rates, inflation and changes in tariffs and global trade conditions, and our response to such events. In some cases, you can identify forward-looking statements by terms such as “aim,” “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “continues,” “could,” “intends,” “goals,” “target,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “potential,” or the negative of these terms or other similar expressions.

Forward-looking statements are based on current expectations of future events. We cannot guarantee that any forward-looking statement will be accurate, although we believe that we have been reasonable in our expectations and assumptions. Investors should realize that if underlying assumptions prove inaccurate or that known or unknown risks or uncertainties materialize, actual results could vary materially from our expectations and projections. Investors are therefore cautioned not to place undue reliance on any forward-looking statements. We believe that these risks and uncertainties include, but are not limited to, adverse macroeconomic conditions, including economic instability, changes in laws and regulations, and other governmental actions or policies, including those related to taxes and new or increased tariffs and the uncertainty surrounding potential changes in such laws and regulations or other potential governmental actions or policies, export controls, sustained higher interest rates and inflation, slower growth or the potential for recession, disruptions in the global supply chain and other conditions affecting the retail environment for products we sell, and other matters that influence consumer spending and preferences, as well as our ability to plan for and respond to the impact of these conditions; our ability to increase our net revenue per active customer; our ability to build and maintain strong brands; and our ability to expand our business and compete successfully, including risks relating to achieving the anticipated benefits of investments in our technology and systems, including generative AI. A further list and description of risks, uncertainties and other factors that could cause or contribute to differences in our future results include the cautionary statements herein and in our most recent Annual Report on Form 10-K and in our other filings and reports with the Securities and Exchange Commission. We qualify all of our forward-looking statements by these cautionary statements.

These forward-looking statements speak only as of the date of this press release and, except as required by applicable law, we undertake no obligation to publicly update or revise any forward-looking statements contained herein, whether as a result of any new information, future events or otherwise.

WAYFAIR INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

	September 30,	December 31,
	2025	2024
	(in millions, except share and per share data)	
Assets:		
Current assets		
Cash and cash equivalents	\$ 1,171	\$ 1,316
Short-term investments	54	56
Accounts receivable, net	129	155
Inventories	70	76
Prepaid expenses and other current assets	254	274
Total current assets	1,678	1,877
Operating lease right-of-use assets	854	925
Property and equipment, net	523	603
Other non-current assets	61	54
Total assets	<u>\$ 3,116</u>	<u>\$ 3,459</u>
Liabilities and Stockholders' Deficit		
Current liabilities		
Accounts payable	\$ 1,199	\$ 1,246
Other current liabilities	1,055	1,124
Total current liabilities	2,254	2,370
Long-term debt	2,748	2,882
Operating lease liabilities, net of current	857	929
Other non-current liabilities	25	33
Total liabilities	5,884	6,214
Stockholders' deficit:		
Convertible preferred stock, \$0.001 par value per share: 10,000,000 shares authorized and none issued at September 30, 2025 and December 31, 2024	—	—
Class A common stock, par value \$0.001 per share, 500,000,000 shares authorized, 106,255,970 and 100,762,581 shares issued and outstanding at September 30, 2025 and December 31, 2024, respectively	—	—
Class B common stock, par value \$0.001 per share, 164,000,000 shares authorized, 23,458,295 and 24,658,295 shares issued and outstanding at September 30, 2025 and December 31, 2024, respectively.	—	—
Additional paid-in capital	1,971	1,751
Accumulated deficit	(4,707)	(4,510)
Accumulated other comprehensive (loss) income	(32)	4
Total stockholders' deficit	(2,768)	(2,755)
Total liabilities and stockholders' deficit	<u>\$ 3,116</u>	<u>\$ 3,459</u>

WAYFAIR INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
	(in millions, except per share data)			
Net revenue ⁽¹⁾	\$ 3,117	\$ 2,884	\$ 9,120	\$ 8,730
Cost of goods sold ⁽²⁾	2,183	2,011	6,365	6,097
Gross profit	934	873	2,755	2,633
Operating expenses:				
Customer service and merchant fees ⁽²⁾	118	112	346	350
Advertising	330	354	1,046	1,043
Selling, operations, technology, general and administrative ⁽²⁾	445	480	1,339	1,503
Impairment and other related net charges	—	1	23	2
Restructuring charges	3	—	68	79
Total operating expenses	896	947	2,822	2,977
Income (Loss) from operations	38	(74)	(67)	(344)
Interest expense, net	(31)	(5)	(83)	(15)
Other (expense) income, net	(5)	8	28	3
Loss on debt extinguishment, net	(99)	—	(68)	—
Loss before income taxes	(97)	(71)	(190)	(356)
Provision for income taxes, net	2	3	7	8
Net loss	\$ (99)	\$ (74)	\$ (197)	\$ (364)
Loss per share				
Basic	\$ (0.76)	\$ (0.60)	\$ (1.54)	\$ (2.98)
Diluted	\$ (0.76)	\$ (0.60)	\$ (1.54)	\$ (2.98)
Weighted-average number of shares of common stock outstanding used in computing per share amounts:				
Basic	130	123	128	122
Diluted	130	123	128	122

⁽¹⁾ The following tables present net revenue attributable to our reportable segments for the periods indicated:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
	(in millions)			
U.S. net revenue	\$ 2,728	\$ 2,512	\$ 8,031	\$ 7,633
International net revenue	389	372	1,089	1,097
Net revenue	\$ 3,117	\$ 2,884	\$ 9,120	\$ 8,730

⁽²⁾ Includes equity-based compensation and related taxes as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
	(in millions)			
Cost of goods sold	\$ 3	\$ 2	\$ 7	\$ 8
Customer service and merchant fees	4	4	11	15
Selling, operations, technology, general and administrative	85	92	243	300
Total equity-based compensation and related taxes	\$ 92	\$ 98	\$ 261	\$ 323

WAYFAIR INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Nine Months Ended September 30,	
	2025	2024
	(in millions)	
Cash flows from operating activities		
Net loss	\$ (197)	\$ (364)
Adjustments to reconcile net loss to net cash provided by operating activities		
Depreciation and amortization	234	297
Equity-based compensation expense	252	309
Amortization of debt discount and issuance costs	7	7
Impairment and other related net charges	23	2
Loss on debt extinguishment, net	68	—
Other non-cash adjustments	21	(5)
Changes in operating assets and liabilities:		
Accounts receivable, net	33	(34)
Inventories	7	(7)
Prepaid expenses and other assets	18	3
Accounts payable and other liabilities	(134)	(53)
Net cash provided by operating activities	332	155
Cash flows from investing activities		
Purchase of short- and long-term investments	(76)	(37)
Sale and maturities of short- and long-term investments	74	33
Purchase of property and equipment	(45)	(53)
Site and software development costs	(103)	(121)
Net cash used in investing activities	(150)	(178)
Cash flows from financing activities		
Proceeds from issuance of debt, net of issuance costs	691	—
Payments to extinguish debt	(940)	—
Payments of taxes related to net share settlement of equity awards	(54)	—
Other financing activities, net	—	3
Net cash (used in) provided by financing activities	(303)	3
Effect of exchange rate changes on cash and cash equivalents	(28)	(6)
Net decrease in cash, cash equivalents and restricted cash	(149)	(26)
Cash, cash equivalents and restricted cash		
Beginning of period	\$ 1,320	\$ 1,326
End of period	\$ 1,171	\$ 1,300

Non-GAAP Financial Measures

To supplement our unaudited condensed consolidated financial statements presented in accordance with generally accepted accounting principles (“GAAP”), this earnings release and the accompanying tables and the related earnings conference call contain certain non-GAAP financial measures, including Adjusted EBITDA, Adjusted EBITDA Margin, Free Cash Flow, Adjusted Diluted Earnings or Loss per Share and Net Revenue Constant Currency Growth. We use these non-GAAP financial measures internally in analyzing our financial results and believe they are useful to investors, as a supplement to GAAP measures, in evaluating our ongoing operational performance. We have provided a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measure in this earnings release.

We calculate Adjusted EBITDA as net income or loss before depreciation and amortization, equity-based compensation and related taxes, interest income or expense, net, other income or expense, net, provision for income taxes, net, non-recurring items and other items not indicative of our ongoing operating performance. Adjusted EBITDA Margin is calculated by dividing Adjusted EBITDA by Net Revenue. We disclose Adjusted EBITDA because it is a key measure used by our management and board of directors to evaluate our operating performance, generate future operating plans and make strategic decisions regarding the allocation of capital. In particular, management uses Adjusted EBITDA as a measure of profitability, and our references in this earnings release and the related earnings conference call to profitability (other than references to GAAP gross profit) are references to Adjusted EBITDA. We believe the exclusion of certain expenses in calculating Adjusted EBITDA facilitates operating performance comparisons on a period-to-period basis as these costs may vary independent of business performance. For instance, we exclude the impact of equity-based compensation and related taxes as we do not consider this item to be indicative of our core operating performance. Investors should, however, understand that equity-based compensation and related taxes will be a significant recurring expense in our business and an important part of the compensation provided to our employees. Accordingly, we believe that Adjusted EBITDA provides useful information to investors and others in understanding and evaluating our operating results in the same manner as our management and board of directors.

We calculate Free Cash Flow as net cash provided by or used in operating activities less net cash used to purchase property and equipment and site and software development costs (collectively, “Capital Expenditures”). We disclose Free Cash Flow because it is an important indicator of our business performance as it measures the amount of cash we generate. Accordingly, we believe that Free Cash Flow provides useful information to investors and others in understanding and evaluating our operating results in the same manner as our management.

We calculate Adjusted Diluted Earnings or Loss per Share as net income or loss plus equity-based compensation and related taxes, provision for income taxes, net, non-recurring items, other items not indicative of our ongoing operating performance, and, if dilutive, interest expense associated with convertible debt instruments under the if-converted method divided by the weighted-average number of shares of common stock used in the computation of diluted earnings or loss per share. Accordingly, we believe that these adjustments to our adjusted diluted net income or loss before calculating per share amounts for all periods presented provide a more meaningful comparison between our operating results from period to period.

We calculate Net Revenue Constant Currency Growth by translating the current period local currency net revenue by the currency exchange rates used to translate the financial statements in the comparable prior-year period. We disclose Net Revenue Constant Currency Growth because it is an important indicator of our operating results. Accordingly, we believe that Net Revenue Constant Currency Growth provides useful information to investors and others in understanding and evaluating trends in our operating results in the same manner as our management.

We calculate forward-looking non-GAAP financial measures based on internal forecasts that omit certain amounts that would be included in forward-looking GAAP financial measures. We do not attempt to provide a reconciliation of forward-looking non-GAAP financial measures to forward looking GAAP financial measures because forecasting the timing or amount of items that have not yet occurred and are out of our control is inherently uncertain and unavailable without unreasonable efforts. Further, we believe that such reconciliations would imply a degree of precision and certainty that could be confusing to investors. Such items could have a substantial impact on GAAP measures of financial performance.

The non-GAAP financial measures have limitations as analytical tools. We do not, nor do we suggest that investors should consider such non-GAAP financial measures in isolation from, or as a substitute for, financial information prepared in accordance with GAAP. Investors should also note that the non-GAAP financial measures we use may not be the same non-GAAP financial measures and may not be calculated in the same manner as that of other companies, including other companies in our industry.

The following table reflects the reconciliation of net income or loss to Adjusted EBITDA and Adjusted EBITDA margin for each of the periods indicated:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
(in millions)				
Reconciliation of Adjusted EBITDA:				
Net loss	\$ (99)	\$ (74)	\$ (197)	\$ (364)
Depreciation and amortization	75	94	234	297
Equity based compensation and related taxes	92	98	261	323
Interest expense, net	31	5	83	15
Other expense (income), net	5	(8)	(28)	(3)
Provision for income taxes, net	2	3	7	8
Other:				
Impairment and other related net charges ⁽¹⁾	—	1	23	2
Restructuring charges ⁽²⁾	3	—	68	79
Loss on debt extinguishment ⁽³⁾	99	—	68	—
Adjusted EBITDA	\$ 208	\$ 119	\$ 519	\$ 357
Net revenue	\$ 3,117	\$ 2,884	\$ 9,120	\$ 8,730
Net loss margin	(3.2)%	(2.6)%	(2.2)%	(4.2)%
Adjusted EBITDA Margin	6.7 %	4.1 %	5.7 %	4.1 %

- ⁽¹⁾ During the nine months ended September 30, 2025, we recorded net charges of \$23 million, inclusive of \$20 million associated with the Germany Restructuring and weakened macroeconomic conditions in connection with its German operations and \$3 million associated with changes in sublease market conditions for a technology center in the U.S.
- ⁽²⁾ During the three and nine months ended September 30, 2025, we incurred \$3 million and \$68 million , respectively, of charges consisting primarily of one-time employee severance, benefits, relocation and transition costs. This is inclusive of \$48 million related to the Germany Restructuring and \$20 million related to the March 2025 workforce reduction. During the nine months ended September 30, 2024, we incurred \$79 million of charges consisting primarily of one-time employee severance and benefit costs associated with the January 2024 workforce reduction.
- ⁽³⁾ During the three and nine months ended September 30, 2025, we recorded a \$99 million and \$68 million, respectively, loss on debt extinguishment upon repurchase of \$101 million in aggregate principal amount of the 2028 Notes, \$80 million in aggregate principal of the 2025 Notes, and \$696 million in aggregate principal amount of the 2026 Notes.

The following table presents Adjusted EBITDA attributable to our segments, and the reconciliation of net income or loss to Adjusted EBITDA is presented in the preceding table:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
	(in millions)			
Segment Adjusted EBITDA:				
US	\$ 209	\$ 141	528	\$ 320
International	(1)	(22)	(9)	(82)
Adjusted EBITDA	\$ 208	\$ 119	\$ 519	\$ 238

The following table presents a reconciliation of net cash provided by or used in operating activities to Free Cash Flow for each of the periods indicated:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
	(in millions)			
Net cash provided by operating activities	\$ 155	\$ 49	\$ 332	\$ 155
Purchase of property and equipment	(27)	(17)	(45)	(53)
Site and software development costs	(35)	(41)	(103)	(121)
Free Cash Flow	<u>\$ 93</u>	<u>\$ (9)</u>	<u>\$ 184</u>	<u>\$ (19)</u>

A reconciliation of the numerator and denominator for diluted earnings or loss per share, the most directly comparable GAAP financial measure, to the numerator and denominator for Adjusted Diluted Earnings or Loss per Share, in order to calculate Adjusted Diluted Earnings or Loss per Share is as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
(in millions, except per share data)				
Numerator:				
Numerator for basic and diluted loss per share - net loss	\$ (99)	\$ (74)	\$ (197)	\$ (364)
Adjustments to net loss				
Interest expense associated with convertible debt instruments	13	—	(197)	—
Equity-based compensation and related taxes	92	98	261	323
Provision for income taxes, net	2	3	7	8
Other:				
Impairment and other related net charges	—	1	23	2
Restructuring charges	3	—	68	79
Loss on debt extinguishment, net	99	—	68	—
Numerator for Adjusted Diluted Earnings per Share - Adjusted net income	\$ 110	\$ 28	\$ 33	\$ 48
Denominator:				
Denominator for basic loss per share - weighted-average number of shares of common stock outstanding	130	123	128	122
Effect of dilutive securities:				
Restricted stock units	—	—	—	—
Denominator for diluted loss per share - weighted-average number of shares of common stock outstanding	129	123	128	122
Adjustments to effect of dilutive securities:				
Restricted stock units	—	—	—	1
Convertible debt instruments	26	—	27	—
Denominator for Adjusted Diluted Earnings per Share - Adjusted weighted-average number of shares of common stock outstanding after the effect of dilutive securities	156	123	155	123
Diluted Loss per Share	\$ (0.76)	\$ (0.60)	\$ (1.54)	\$ (2.98)
Adjusted Diluted Earnings per Share	\$ 0.70	\$ 0.22	\$ 1.73	\$ 0.38