Safe Harbor

This presentation contains forward-looking statements within the meaning of federal and state securities laws. All statements other than statements of historical fact contained in this presentation—including statements regarding our future results of operations and financial position, business strategy and plans, and objectives of management for future operations—are forward-looking statements. In some cases, you can identify forward-looking statements by terms such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “target,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “potential,” or “continue,” 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 the Company’s expectations and projections. Investors are therefore cautioned not to place undue reliance on any forward-looking statements. These forward-looking statements speak only as of the date of this presentation 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.

A list and description of risks, uncertainties and other factors that could cause or contribute to differences in our results can be found under Part I, Item 1A, Risk Factors, in our Annual Report on Form 10-K for the fiscal year ended December 31, 2019 and the Company’s subsequent filings with the Securities and Exchange Commission. We qualify all of our forward-looking statements by these cautionary statements.

Market data information, including growth rates and online penetration, used in this presentation are based on management’s knowledge of the industry and their good-faith estimates. Management has relied, to the extent available, upon their review of industry surveys and publications and other publicly available information prepared by a number of third-party sources. The market data information, including indicative market growth and online penetration, provided in this presentation involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such information. Although we believe that these sources are reliable as of their respective dates, we have not verified the accuracy or completeness of this information from independent sources. In addition, this information involves important risks, uncertainties, and other factors, including those discussed above, which could cause results to differ materially.

In addition to U.S. GAAP financials, this presentation includes certain non-GAAP financial measures. These non-GAAP measures are in addition to, not a substitute for or superior to, measures of financial performance prepared in accordance with U.S. GAAP. A reconciliation of non-GAAP measures to GAAP measures is contained in the Appendix to this presentation. We calculate forward-looking non-GAAP Adjusted EBITDA based on internal forecasts that omit certain amounts that would be included in forward-looking GAAP net loss. We do not attempt to provide a reconciliation of forward-looking non-GAAP Adjusted EBITDA guidance to forward looking GAAP net loss because forecasting the timing or amount of items that have not yet occurred and are out of the Company’s 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.
A Brief History of Wayfair

- **2002**: CSN Stores founded
- **2011**: CSN Stores rebrands to Wayfair, exceeding $600M in net revenue in its first year
- **2014**: Wayfair IPO
- **2015**: Logistics network test and launch
- **2016**: Concentrated efforts in International segment; Canada launch
- **2018**: New initiatives staffed up and supplier value-added services tested and launched
- **2019**: Over $9Bn in net revenue, with annual growth of 35%
Investment Highlights

- ~$600B+ total addressable market rapidly moving from **brick and mortar to online**
- Utilizing in-house software development capability to build and **leverage proprietary technology**
- Partnering with fragmented and largely **unbranded supplier base** of over 12,000 suppliers
- Solving unique challenges of the category by building a business **purpose-built for Home**
- Highly recognized brand in North America and Europe with **increasing engagement from repeat** customers
- Investing in **specialized logistics network, international markets, and existing teams** to continue outsized share-taking
- **Attractive financial profile** with robust growth at scale, proven unit economics, and inventory-light business model
- **Co-founders are largest shareholders**, with focus on sustainable long-term growth, operational discipline, and customer-first orientation
OVERVIEW

01. Our Business
02. Strategic Priorities
03. KPIs & Financial Metrics
04. Appendix
01. OUR BUSINESS
Billions in Revenue Is Up For Grabs with Secular Shift from Brick-and-Mortar to Online

**Large, Addressable Market**

Transitioning Away from Brick and Mortar...

U.S. Home Market by Channel ($B)

<table>
<thead>
<tr>
<th>Channel</th>
<th>2019</th>
<th>2024</th>
<th>2029</th>
</tr>
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<tbody>
<tr>
<td>Home Goods</td>
<td>$296</td>
<td>$355</td>
<td>$427</td>
</tr>
<tr>
<td>Apparel</td>
<td>$254</td>
<td>$271</td>
<td>$257</td>
</tr>
<tr>
<td>Consumer Electronics</td>
<td>$42</td>
<td>$84</td>
<td>$169</td>
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</table>

CAGR

<table>
<thead>
<tr>
<th></th>
<th>’19-'24</th>
<th>’24-'29</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home Goods</td>
<td>3.7%</td>
<td>3.7%</td>
</tr>
<tr>
<td>Apparel</td>
<td>15.0%</td>
<td>15.0%</td>
</tr>
<tr>
<td>Consumer Electronics</td>
<td>1.3%</td>
<td>(1.0)%</td>
</tr>
</tbody>
</table>

**...with Further Headroom for Online Penetration...**

Estimated U.S. Online Penetration of Selected Verticals

- Home Goods: 14%
- Apparel: 30%
- Consumer Electronics: 43%

**...and Tailwind from Millennials**

Beginning To Enter the Category

Illustrative Distribution of Home Goods Customers by Age

- Millennials: Age 20–37 (80 million people)
- Our Customer Demographic
  - Median Household Income: $75K
  - ~45% of sales from customers aged between 31-50

Source: Third-party market research, Wayfair estimates
We Are Winning with Customers and Taking Market Share

With the Home Category Online Growing by Approximately 15% in the U.S. in 2019...

U.S. Home Online Market Size Forecast

...We Are Taking a Significant Share of Dollars as They Shift Online

2019 Online Growth Breakdown, $B and % of Total

Source: Wayfair estimates
Home Category Has Specific Challenges When Shopped Online

OUR BUSINESS: BUILT FOR THE HOME CATEGORY

Problem

1. **Confidence To Buy:**
   In the absence of being able to touch and feel a product, customers typically require greater comfort and advice on the item they are buying.

2. **Visualizing Products:**
   Understanding how a sofa or dining room table will look in a shopper’s home is central to the purchase decision.

3. **Inspiration and Product Discovery:**
   Home is browsed and not searched, as it is difficult for consumers to describe what they are looking for in a primarily unbranded category. Additionally, home shoppers desire uniqueness.

4. **Customer Service and Delivery:**
   Home is characterized by heavy, bulky, and damage-prone items. Delivery speed can be slow and customers have limited visibility on order timing. Third parties typically play a large part in the transportation and delivery process, resulting in a customer experience that can be poor relative to other categories.

Solution

We have purpose-built our business to solve these issues and transform how customers shop for the home, from their home.
We Have Built an Experience that Enables Customers to Confidently Shop for Their Home Online

**OUR BUSINESS: BUILT FOR THE HOME CATEGORY**

Confidence To Buy: Inspires Confidence in the Purchase

- In-depth product information & specifications
- Customer Q&A
- Specialized sales team
- Swatches and samples
- Customer reviews
- Visualization tools
- Plus more...

---

This is exactly what I was hoping for. It’s well made, good quality fabric and comfortable, being a bit on the firm side, which I prefer. The color is accurate as well. The delivery was clean, quick and effortless.

– Customer from Brooklyn, NY
2 Visualizing Products: Customers “See” Before They Buy

- 3D View in Room
- Room Ideas
- “Shop the Look” offerings
- Search with Photo
- Customer-uploaded product photos
- Plus more...

OUR BUSINESS: BUILT FOR THE HOME CATEGORY
We Help Shoppers Visualize Their Purchase Through Technology

Shop Directly from Looks You Love

See It in Your Space Before You Buy

Plan Your Perfect Room in 3D with To-Scale Furniture
Inspiration and Product Discovery:
Find the Right Product Faster

- Product recommendations
- Personalization
- Visual filters
- Idea Boards
- Plus more...

We Help Inspire Shoppers and Equip Them to Plan Their Perfect Room
Flagship Brands Across Styles and Price Points
Help Customers Find Products They Like

Inspiration and Product Discovery:
Curated brand experience, with increasingly exclusive products, enabling customers to more easily discover the items they love from our range of more than 18 million products.

Benefits of Curation:
- 11x higher visits per SKU than non-Flagship SKUs
- 8 out of 10 top searched brands on Wayfair.com are Flagship brands
- 13x higher revenue per SKU than non-Flagship SKUs
- 5x higher repeat rate than non-Flagship Brand SKUs

On trend, low price point
Contemporary, mid price point
Luxury, high price point
Customer Service and Delivery:

- In-house customer service team of over 3,600 people in the U.S. and Europe.
- NPS incentivized compensation structure, making customer experience our top priority.
- Specialized customer service staff with deep expertise in specific product categories.
- Our WDN is specially designed for seamless large parcel delivery.

“Customer service is the greatest ever, kind, understanding and very professional.”

“I bought two chairs and they were delivered on time and the product in good condition. The Wayfair app is awesome!”
Wayfair is our Central Brand and the Driver of our Business

**Our Marquee Brand**

1. 87% U.S. aided brand awareness since Wayfair.com launch in 2011\(^1\).

2. In every country where we operate, Wayfair has one of the highest NPS scores among purchasers versus competitors, typically coming in at either 1st or 2nd as the most recommended brand\(^1\).

3. In the U.S. and Canada, Wayfair is the #1 place consumers think to shop for their home online\(^1\).

\(^1\)Source: Wayfair customer survey
Wayfair Brand Focuses on the Mass Market Customer; Our Lifestyle Brands Serve Specific Customer Styles and Segments

OUR BUSINESS: BRANDS AND CUSTOMERS

- **High End**
  - ($175K+ household income)

- **Mass Market**
  - ($60K – $175K household income)

- **Low End**
  - ($60K household income)

- **Perigold**
- **Joss & Main**
- **Birch Lane**
- **AllModern**
OUR BUSINESS: BRANDS AND CUSTOMERS

Our Four Distinct Home Sites Each Have a Unique Identity

ALLMODERN
Est. 2006
The best of modern, priced for real life.

Joss & Main
Est. 2011
Stylish designs to discover daily.

BIRCH LANE
Est. 2014
Classic home. Comfortable cost.

PERIGOLD
Est. 2017
The widest-ever selection of luxury home furnishings.
Loyalty is Growing

- Our base of loyal customers is growing

- In 2019, 53% of Wayfair.com orders came from customers who had made 3 or more lifetime purchases; in 2015, this figure was ~30%

- On average, repeat customers with 4 or more orders visited the site 45 times in 2019

---

**Increasing Engagement from Repeat Customers**

**OUR BUSINESS: BUILT FOR THE HOME CATEGORY**
OUR BUSINESS: BRANDS AND CUSTOMERS

Marketing to Customers Via Paid and Free Channels

People are consuming more content than ever, and in different places

Brand Integrations
Partnering with Discovery/Scripps and other networks to reach our target customers through TV ads

Direct Mail
Reaching new and current customers with catalogs and direct mail inserts in the U.S. and internationally

Online Paid
Reaching shoppers through display, social, and transactional ad channels

Major Promotional Campaigns
Emailing our large base of opt-in email subscribers and reaching customers via app notifications

Organic Engagement
Engaging with millions of brand followers across social media platforms
We view suppliers as our partners and create value-added services to propel their businesses with Wayfair

1. **Logistics**
   - Consolidate different suppliers’ products in Asia, and then sort and transport them to our CastleGate warehouses
   - Route optimize to solve for the lowest ship cost, shortest distance traveled, and optimal positioning across our network
   - Provide storage in our CastleGate warehouses and end-to-end order fulfillment through our Wayfair Delivery Network

2. **Services & Events**
   - Sponsored Products to highlight priority SKUs via premium real estate on browse and product pages
   - 3D asset creation to build rich lifestyle imagery and easier visualization, leading to higher conversion
   - Regular supplier events to collaborate and share best practices

3. **Technology**
   - Predictive algorithms to aid in demand forecasting
   - Dedicated support teams and real time monitoring and insights through Wayfair Partner Home
   - Full supply chain visibility to prevent out-of-stocks and manage inventory
02. STRATEGIC PRIORITIES
STRATEGIC PRIORITIES

Taking a Long-Term Approach to Growth

We are investing in three main areas of strategic importance:

1. **Logistics**
   Scaling our logistics capabilities in warehousing, supply services, transportation, and delivery to improve customer experience and drive efficiencies.

2. **International**
   Expanding our business in Canada, the UK, and Germany by strengthening our customer offering and raising brand awareness.

3. **Further Penetrating the TAM**
   Building an ever-strengthening customer offering across all home product categories and related services to continually increase share of wallet.
Products in our category are challenging to transport, which can result in the delivery experience being far from satisfying for customers in terms of speed, visibility, and risk of damage.

Our scale allows us to invest in building a proprietary logistics network. Over time, this enables us to speed up deliveries, decrease our reliance on third parties and undertake efforts to reduce damage. Simultaneously we are able to increase convenience for customers and suppliers, resulting in a greater experience on both ends.
CastleGate warehouses forward-position supplier inventory to create fast delivery for small parcel (1+ days) and large parcel (3+ days).

We have built our strategic network of warehouses in North America and Europe, and are now building utilization and efficiency across that footprint. Future square footage additions are expected to support ongoing volume growth where we are capacity constrained.

Suppliers are increasingly adopting our logistics services, with approximately 80% of the inbound volume into U.S. CastleGate facilities being container-direct at the end of 2019.

Our end-to-end, fully integrated supply chain services include freight, drayage, and ocean services. This includes product consolidation in Asia, where most suppliers’ manufacturing facilities are based. To glean the benefits of scale, we consolidate product on full container loads and optimally position it within our network.

We take a much more strategic approach than a third-party logistics company, reducing costs for suppliers, customers, and Wayfair, while improving our visibility of supply.

### Logistics: CastleGate

CastleGate warehouses forward-position supplier inventory to create fast delivery for small parcel (1+ days) and large parcel (3+ days).

We have built our strategic network of warehouses in North America and Europe, and are now building utilization and efficiency across that footprint. Future square footage additions are expected to support ongoing volume growth where we are capacity constrained.

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#### Investing in CastleGate and Supply Chain Services
Taking Control of Large Parcel Transportation and Delivery with the Wayfair Delivery Network

Over 90% of our U.S. large parcel orders flow through the Wayfair-controlled middle mile network, and today our last mile delivery facilities cover 70% of U.S. large parcel deliveries and just under 40% of Canadian large parcel home deliveries.

Customer satisfaction improvements resulting from control of the last mile are significant, and we expect to drive higher customer lifetime value. Our network reduces ship costs and will continue to improve as we increase utilization of the network.

Recent investments have allowed us to take greater control of middle and last mile delivery, both in the U.S. and internationally.

Note: chart does not show third-party delivery agent locations
The international competitive landscape is similar to the U.S., with a fragmented base of brick-and-mortar retailers that is typically regionalized with no dominant online player. Our established playbook, refined for regional nuances, positions us well to be the winner.

**International**

The international competitive landscape is similar to the U.S., with a fragmented base of brick-and-mortar retailers that is typically regionalized with no dominant online player. Our established playbook, refined for regional nuances, positions us well to be the winner.

### U.S.
- ~$300B TAM
- CastleGate opened 2014
- Wayfair.com aided brand awareness of 87% as of Q4 2019
- Net revenue $7.8B in 2019

### Canada
- ~$20B TAM
- CastleGate opened Q2 2018
- Aided awareness 82% as of Q4 2019

### UK
- ~$50B TAM
- CastleGate opened 2016
- London office with ~100 employees
- Aided awareness 70% as of Q4 2019

### Germany
- ~$75B TAM
- CastleGate opened Q1 2018
- Berlin office (EU HQ) with ~1,000 employees
- Brand TV launched in H2 2018

Source: Wayfair estimates
Invested in Dozens of Product Categories and Services to Further Penetrate our Total Addressable Market

Further Penetrating the TAM
Growing share of wallet by deepening and broadening our value proposition to customers within the home category.

Over the past two years we have hired new people to expand or create new dedicated cross-functional teams including merchandising, marketing, and engineering as well as specialized customer service staff.

Implemented this expansion with a proven playbook and a clearly defined ROI.

Product Categories
- Window treatments
- Lighting
- Textiles
- Housewares
- Mattresses
- Seasonal decor
- Plumbing
- Decorative accents
- Large appliances
- Flooring and tile
- Outdoor decor
- Storage and organization
- Plus more...

Services
- Financing
- Loyalty
- Registry
- B2B
- Specialized sales
- Gift cards
- Assembly
- Installation services
- Plus more...

STRATEGIC PRIORITIES
03. KPIs & FINANCIAL METRICS
Robust Growth at Scale

KPIs & FINANCIAL METRICS

240+ Niche Websites; Platform Development
Wayfair Brand Launched
Wayfair U.S. Brand Building

Note: International net revenue not disclosed separately before 2012

<table>
<thead>
<tr>
<th>Year</th>
<th>U.S. Net Revenue ($M)</th>
<th>International Net Revenue ($M)</th>
</tr>
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<tbody>
<tr>
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<td></td>
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<td></td>
</tr>
<tr>
<td>2019</td>
<td></td>
<td>$9,127</td>
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<table>
<thead>
<tr>
<th>Year</th>
<th>International Net Revenue ($M)</th>
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<tbody>
<tr>
<td>2002</td>
<td>$2,250</td>
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<tr>
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<td>$3,380</td>
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<tr>
<td>2004</td>
<td>$4,721</td>
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<tr>
<td>2018</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>$9,127</td>
</tr>
</tbody>
</table>
KPIs & FINANCIAL METRICS

Strong Customer Acquisition and Growing Share of Wallet
New and Repeat Orders Both Growing with Repeat Taking Share

KPIs & FINANCIAL METRICS

% of Orders from Repeat Customers  Orders from Repeat Customers  Orders from New Customers
KPIs & FINANCIAL METRICS

Customers are Ordering More Frequently

LTM Orders per Active Customer

Q1 '14 | Q2 '14 | Q3 '14 | Q4 '14 | Q1 '15 | Q2 '15 | Q3 '15 | Q4 '15 | Q1 '16 | Q2 '16 | Q3 '16 | Q4 '16 | Q1 '17 | Q2 '17 | Q3 '17 | Q4 '17 | Q1 '18 | Q2 '18 | Q3 '18 | Q4 '18 | Q1 '19 | Q2 '19 | Q3 '19 | Q4 '19

1.61

1.86
### Long-Term Target Model

<table>
<thead>
<tr>
<th>KPIs &amp; FINANCIAL METRICS</th>
<th>2014 (IPO)</th>
<th>2018</th>
<th>2019</th>
<th>Long-Term Target</th>
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</thead>
<tbody>
<tr>
<td>Net Revenue</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Gross Margin</td>
<td>23.6%</td>
<td>23.4%</td>
<td>23.6%</td>
<td>25–27%</td>
</tr>
<tr>
<td>Customer Service + Merchant Fees</td>
<td>4.1%</td>
<td>3.7%</td>
<td>3.8%</td>
<td>4%</td>
</tr>
<tr>
<td>Advertising</td>
<td>14.5%</td>
<td>11.4%</td>
<td>12.0%</td>
<td>6–8%</td>
</tr>
<tr>
<td>Selling, Operations, Technology, General &amp; Administrative (primarily OpEx headcount)</td>
<td>9.8%</td>
<td>11.7%</td>
<td>13.6%</td>
<td>5–7%</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>(4.7%)</td>
<td>(3.2%)</td>
<td>(5.4%)</td>
<td>8–10%</td>
</tr>
</tbody>
</table>

- Better wholesale economics with increasing scale
- Logistics cost efficiency gains
- Improved economics as newer categories and regions mature
- House/Flagship brand differentiation
- Supplier Services
- Ad cost % decreases as size of repeat customer base grows as a % total
- Benefits of scale recently offset by investment spending in hiring
- Current focus shifting towards driving increased productivity

**Note:** Gross margin excludes equity-based compensation; SOTG&A excludes equity-based compensation, related taxes, depreciation, and amortization
KPIs & FINANCIAL METRICS

Capital-Efficient Business Model

Net Revenue and Inventory

- 2015: $2,250
- 2016: $20
- 2017: $62
- 2018: $2,250
- 2019: $9,127

Receivable and Payable Days

- Days Receivable: 3.1
- Days Payable: 41.5

1 Average of last four quarters
04. APPENDIX
Wayfair.com Annual Cohort Performance

- Each cohort line is a function of the percent of customers in the cohort who make repeat purchases and how much these repeating customers spend.
- Cohort lines show a steady tail of repeating revenue.

Note on Methodology: First data point in chart is 31-60 days after the customer’s initial purchase. Cohort numerator includes revenue (indexed) from cohort customers in all future periods with at least four cohort data points through 1/31/2020.
### Illustrative Customer Acquisition Cost

*(All units in millions, except per-customer figures)*

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Advertising Spend</td>
<td>$1,096</td>
</tr>
<tr>
<td>Partner Ad Spend</td>
<td>$4</td>
</tr>
<tr>
<td>Direct Retail Ad Spend</td>
<td>$1,093</td>
</tr>
<tr>
<td>Total Orders</td>
<td>37.6</td>
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<tr>
<td>% of Orders from Repeat Customers</td>
<td>67.5%</td>
</tr>
<tr>
<td>Repeat Orders</td>
<td>25.4</td>
</tr>
<tr>
<td>Average Order Value</td>
<td>$241</td>
</tr>
<tr>
<td>Implied Revenue from Repeat Customers</td>
<td>$6,139</td>
</tr>
<tr>
<td>Ad Spend on Repeat Revenue (~7% of Repeat Retail Revenue)</td>
<td>$430</td>
</tr>
<tr>
<td>Implied Direct Retail Ad Spend for New Customers</td>
<td>$662</td>
</tr>
<tr>
<td>New Orders (= New Customers)</td>
<td>12.2</td>
</tr>
<tr>
<td><strong>New Customer Acquisition Cost</strong></td>
<td><strong>$54</strong></td>
</tr>
<tr>
<td>Annual Direct Retail Revenue per Customer</td>
<td>$448</td>
</tr>
<tr>
<td>Annual Contribution per Customer</td>
<td>$89</td>
</tr>
<tr>
<td>Contribution Margin</td>
<td>19.8%</td>
</tr>
</tbody>
</table>

*Note: The mix of active customers is not comparable with the mix of new vs. repeat orders.*
APPENDIX

We Doubled Headcount in the Last Two Years, and are now Optimizing for Efficiency

Global Headcount by Functional Group

Headcount (Thousands)

<table>
<thead>
<tr>
<th>Q1 '16</th>
<th>Q2 '16</th>
<th>Q3 '16</th>
<th>Q4 '16</th>
<th>Q1 '17</th>
<th>Q2 '17</th>
<th>Q3 '17</th>
<th>Q4 '17</th>
<th>Q1 '18</th>
<th>Q2 '18</th>
<th>Q3 '18</th>
<th>Q4 '18</th>
<th>Q1 '19</th>
<th>Q2 '19</th>
<th>Q3 '19</th>
<th>Q4 '19</th>
</tr>
</thead>
<tbody>
<tr>
<td>4,604</td>
<td>5,398</td>
<td>5,610</td>
<td>5,637</td>
<td>5,708</td>
<td>6,049</td>
<td>6,890</td>
<td>7,750</td>
<td>8,753</td>
<td>9,713</td>
<td>10,098</td>
<td>12,124</td>
<td>13,344</td>
<td>14,548</td>
<td>16,084</td>
<td>16,985</td>
</tr>
<tr>
<td>2,048</td>
<td>2,396</td>
<td>2,460</td>
<td>2,527</td>
<td>2,534</td>
<td>2,777</td>
<td>3,208</td>
<td>4,114</td>
<td>4,023</td>
<td>4,442</td>
<td>4,786</td>
<td>5,639</td>
<td>6,577</td>
<td>7,436</td>
<td>8,251</td>
<td>8,951</td>
</tr>
<tr>
<td>2,556</td>
<td>3,002</td>
<td>3,150</td>
<td>3,110</td>
<td>3,174</td>
<td>3,272</td>
<td>3,682</td>
<td>4,730</td>
<td>5,271</td>
<td>6,122</td>
<td>6,485</td>
<td>6,767</td>
<td>7,112</td>
<td>7,833</td>
<td>8,034</td>
<td></td>
</tr>
</tbody>
</table>

1. These figures include interns and co-ops
APPENDIX

CastleGate & Wayfair Delivery Network (WDN) for Small Parcel & Large Parcel Deliveries

**CastleGate for Small Parcel Example**

- CastleGate warehouse in New Jersey
- Pre-sorting at CastleGate warehouse
- Wayfair builds dedicated trailer for destination hubs
- Wayfair-dedicated transportation
- Common Carrier
- End customer in New York

2–4 total touches, 1+ day delivery time

**WDN Large Parcel Example**

- Supplier warehouse in California
- Wayfair consolidation center & cross decks
- Full truckload transportation (only Wayfair products)
- Wayfair last mile delivery agent (~70% of large parcel orders)
- End customer in New York

3–4 total touches, 3+ day delivery time
## Net Revenue and Adjusted Profitability by Segment ($ in Millions)

<table>
<thead>
<tr>
<th>Segment</th>
<th>Q1 '18</th>
<th>Q2 '18</th>
<th>Q3 '18</th>
<th>Q4 '18</th>
<th>FY 2018</th>
<th>Q1 '19</th>
<th>Q2 '19</th>
<th>Q3 '19</th>
<th>Q4 '19</th>
<th>FY 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>U.S. Total Net Revenue</strong></td>
<td>1,201.6</td>
<td>1,411.3</td>
<td>1,473.3</td>
<td>1,726.9</td>
<td>5,813.1</td>
<td>1,657.7</td>
<td>2,000.5</td>
<td>1,966.7</td>
<td>2,140.0</td>
<td>7,764.8</td>
</tr>
<tr>
<td><strong>Total Growth</strong></td>
<td>40.0%</td>
<td>41.5%</td>
<td>40.2%</td>
<td>38.5%</td>
<td>40.0%</td>
<td>38.0%</td>
<td>41.7%</td>
<td>33.5%</td>
<td>23.9%</td>
<td>33.6%</td>
</tr>
<tr>
<td><strong>U.S. Adjusted EBITDA</strong></td>
<td>(7.9)</td>
<td>7.2</td>
<td>(26.0)</td>
<td>7.7</td>
<td>(19.0)</td>
<td>(27.8)</td>
<td>(0.3)</td>
<td>(62.9)</td>
<td>(88.0)</td>
<td>(179.0)</td>
</tr>
<tr>
<td><strong>Margin</strong></td>
<td>-0.7%</td>
<td>0.5%</td>
<td>-1.8%</td>
<td>0.4%</td>
<td>-0.3%</td>
<td>-1.7%</td>
<td>0.0%</td>
<td>-3.2%</td>
<td>-4.1%</td>
<td>-2.3%</td>
</tr>
<tr>
<td><strong>International Total Net Revenue</strong></td>
<td>202.7</td>
<td>243.9</td>
<td>232.4</td>
<td>287.1</td>
<td>966.1</td>
<td>287.1</td>
<td>342.7</td>
<td>338.8</td>
<td>393.5</td>
<td>1,362.2</td>
</tr>
<tr>
<td><strong>Total Growth</strong></td>
<td>97.2%</td>
<td>93.9%</td>
<td>57.5%</td>
<td>49.8%</td>
<td>70.1%</td>
<td>41.7%</td>
<td>40.5%</td>
<td>45.8%</td>
<td>37.1%</td>
<td>41.0%</td>
</tr>
<tr>
<td><strong>International Adjusted EBITDA</strong></td>
<td>(42.0)</td>
<td>(42.0)</td>
<td>(50.4)</td>
<td>(61.5)</td>
<td>(195.9)</td>
<td>(74.4)</td>
<td>(69.6)</td>
<td>(81.3)</td>
<td>(92.2)</td>
<td>(317.5)</td>
</tr>
<tr>
<td><strong>Margin</strong></td>
<td>-20.7%</td>
<td>-17.2%</td>
<td>-21.7%</td>
<td>-21.4%</td>
<td>-20.3%</td>
<td>-25.9%</td>
<td>-20.3%</td>
<td>-24.0%</td>
<td>-23.4%</td>
<td>-23.3%</td>
</tr>
</tbody>
</table>
### Reconciliation of Adjusted EBITDA ($ in Millions)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Income</td>
<td>($77.4)</td>
<td>($194.4)</td>
<td>($244.6)</td>
<td>($504.1)</td>
<td>($984.6)</td>
<td>($143.8)</td>
<td>($330.2)</td>
</tr>
<tr>
<td>Depreciation and Amortization&lt;sup&gt;1&lt;/sup&gt;</td>
<td>$32.4</td>
<td>$55.6</td>
<td>$87.0</td>
<td>$123.5</td>
<td>$192.4</td>
<td>$36.1</td>
<td>$58.2</td>
</tr>
<tr>
<td>Equity-Based Compensation&lt;sup&gt;2&lt;/sup&gt;</td>
<td>$33.0</td>
<td>$52.0</td>
<td>$72.6</td>
<td>$136.4</td>
<td>$241.0</td>
<td>$41.3</td>
<td>$67.0</td>
</tr>
<tr>
<td>Interest (Income) Expense, Net</td>
<td>($1.3)</td>
<td>($0.7)</td>
<td>$9.4</td>
<td>$28.6</td>
<td>$54.5</td>
<td>$10.3</td>
<td>$20.6</td>
</tr>
<tr>
<td>Other Expense (Income), Net</td>
<td>($2.7)</td>
<td>($1.8)</td>
<td>($0.7)</td>
<td>$0.2</td>
<td>($2.9)</td>
<td>$2.9</td>
<td>$2.7</td>
</tr>
<tr>
<td>Taxes</td>
<td>$0.1</td>
<td>$0.6</td>
<td>$0.5</td>
<td>$2.0</td>
<td>$3.0</td>
<td>$1.1</td>
<td>$1.5</td>
</tr>
<tr>
<td>Other&lt;sup&gt;1&lt;/sup&gt;</td>
<td>--</td>
<td>--</td>
<td>$8.8</td>
<td>($1.7)</td>
<td>--</td>
<td>($1.7)</td>
<td>--</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>($15.9)</td>
<td>($88.7)</td>
<td>($67.0)</td>
<td>($215.0)</td>
<td>($496.5)</td>
<td>($53.8)</td>
<td>($180.2)</td>
</tr>
</tbody>
</table>

<sup>1</sup>Includes one-time charges related to terminating use of our warehouse in Ogden, Utah, in July 2017
<sup>2</sup>Includes related taxes
## APPENDIX

### Reconciliation of Free Cash Flow ($ in Millions)

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>Q4’18</th>
<th>Q4’19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Cash Provided by Operating Activities</td>
<td>$135.1</td>
<td>$62.8</td>
<td>$33.6</td>
<td>$84.9</td>
<td>$(196.8)</td>
<td>$42.5</td>
<td>$(36.3)</td>
</tr>
<tr>
<td>Purchase of Property and Equipment</td>
<td>$(44.6)</td>
<td>$(96.7)</td>
<td>$(100.4)</td>
<td>$(159.2)</td>
<td>$(271.7)</td>
<td>$(48.7)</td>
<td>$(87.8)</td>
</tr>
<tr>
<td>Site and Software Development Costs</td>
<td>$(17.5)</td>
<td>$(31.4)</td>
<td>$(46.4)</td>
<td>$(62.8)</td>
<td>$(129.1)</td>
<td>$(17.0)</td>
<td>$(34.4)</td>
</tr>
<tr>
<td><strong>Free Cash Flow</strong></td>
<td>$73.0</td>
<td>$(65.3)</td>
<td>$(113.2)</td>
<td>$(137.1)</td>
<td>$(597.7)</td>
<td>$(23.2)</td>
<td>$(158.5)</td>
</tr>
</tbody>
</table>