

200,000+

ACTIVE SHOPIFY MERCHANTS

\$1.9 BILLION+

GMV IN Q3 '15

Safe Harbour

This presentation contains forward-looking statements that are based on our management's current estimates, beliefs and assumptions, which are based on management's perception of historic trends, current conditions and expected future developments, as well as other factors management believes are appropriate in the circumstances. Although we believe that the plans, intentions, expectations, assumptions and strategies reflected in these forward-looking statements are reasonable, these statements relate to future events or our future financial performance, and involve known and unknown risks, uncertainties and other factors that may cause our actual results to be materially different from any future results expressed or implied by these forward-looking statements. Although the forward-looking statements contained in this presentation are based upon what we believe are reasonable assumptions, investors are cautioned against placing undue reliance on these statements since actual results may vary from the forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which are, in some cases, beyond our control and which could materially affect our results. These risks are described in further detail in the section entitled "Risk Factors" and elsewhere in our filings with regulatory agencies. If one or more of these risks or uncertainties occur, or if our underlying assumptions prove to be incorrect, actual results may vary significantly from those implied or projected by the forward-looking statements. References to long-term trends in our model are forward-looking and made as of the current date. Nothing in this presentation should be regarded as a representation by any person that these long- term trends will be achieved and we undertake no duty to update its long-term trends.

We believe that the case studies presented in this presentation provide a representative sample of how our merchants have been able to use various features of our platform to grow their respective businesses. References in this presentation to increased visits, growth and sales following implementation of our platform do not necessarily mean that our platform was the only factor contributing to such increases.

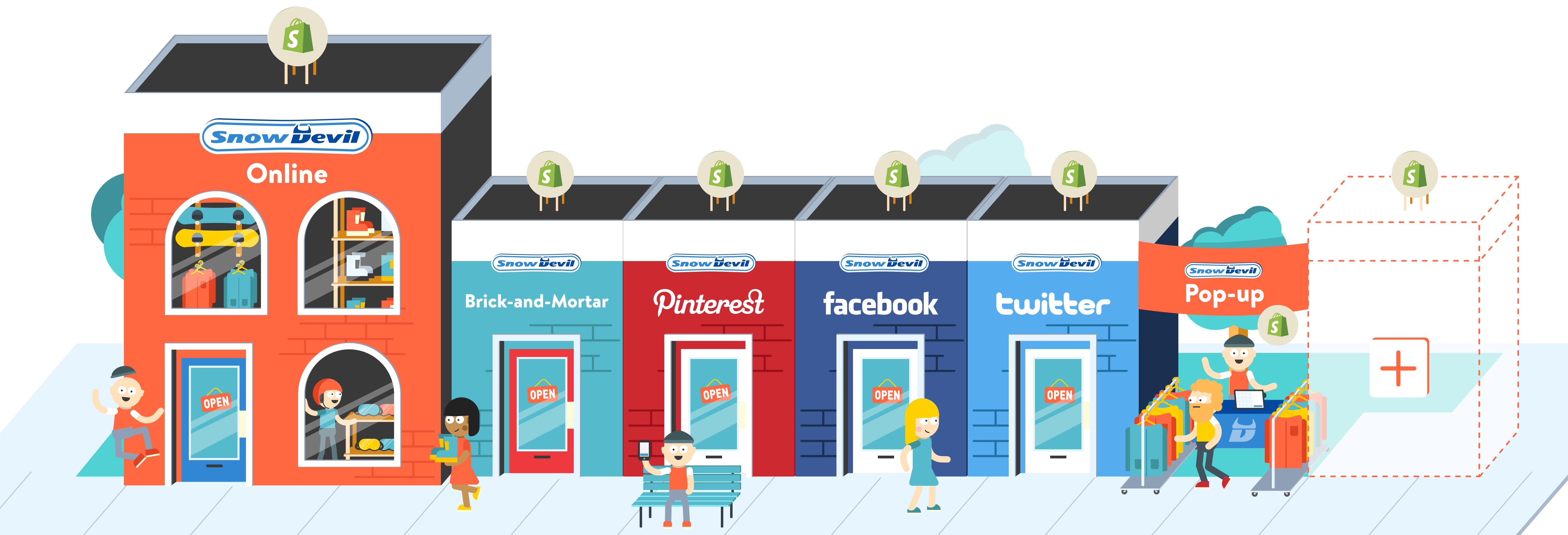
To supplement the financial measures prepared in accordance with generally accepted accounting principles (GAAP), we use non-GAAP financial measures that exclude certain items. Non-GAAP financial measures are not prepared in accordance with GAAP; therefore, the information is not necessarily comparable to other companies and should be considered as a supplement to, not a substitute for, or superior to, the corresponding measures calculated in accordance with GAAP.

Store #1: Snowdevil

CIRCA 2004



One Platform, Every Channel, Any Device.



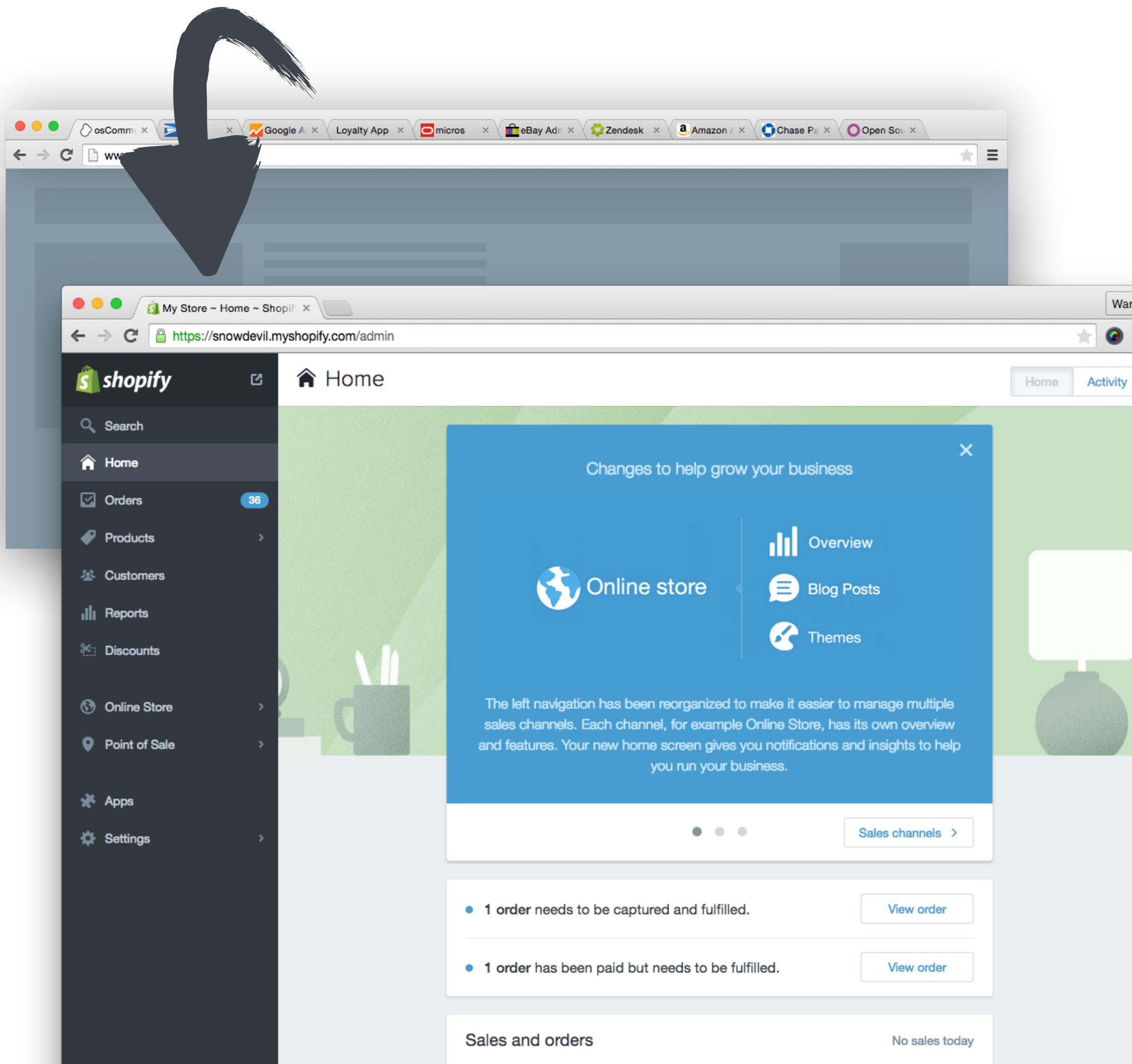
STOREFRONTS

One Platform, Every Channel, Any Device.



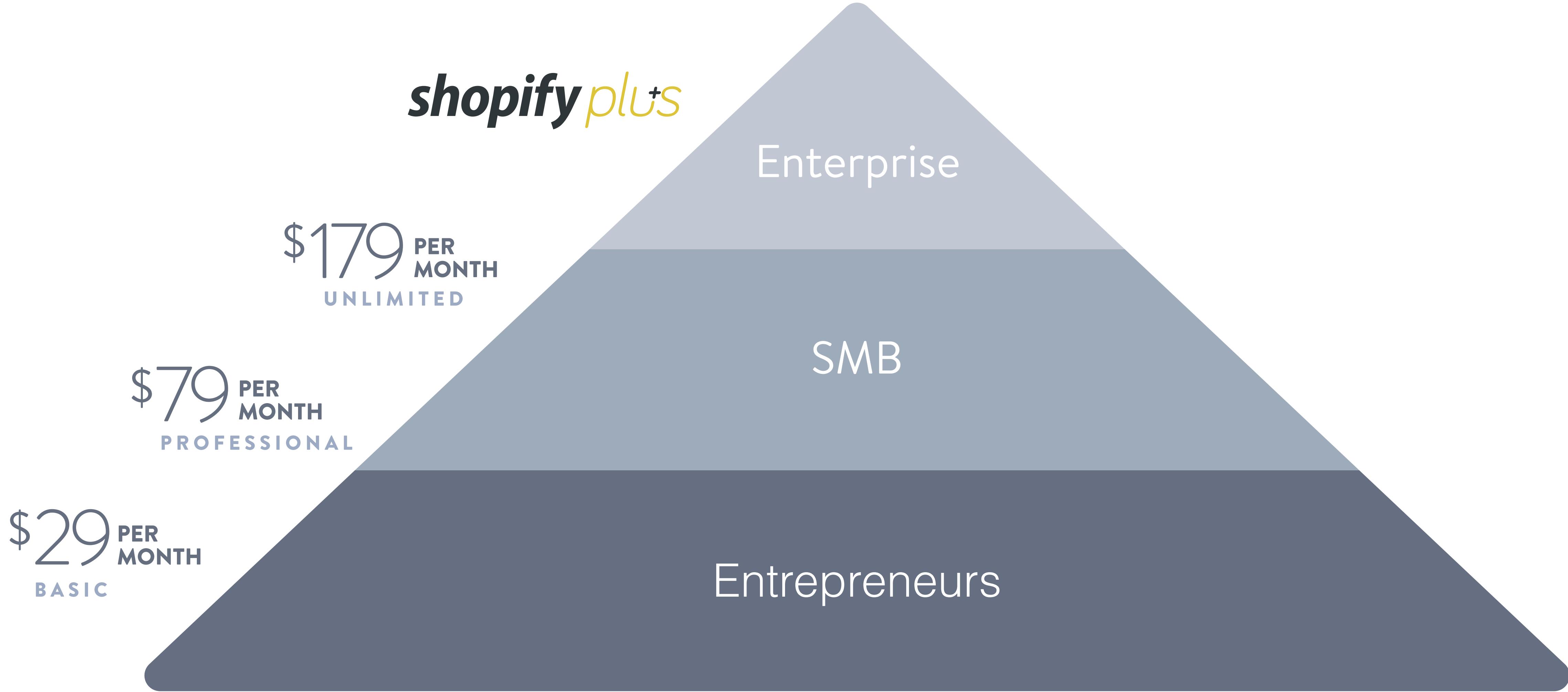
A single, integrated back office

Multi-channel Commerce Platform

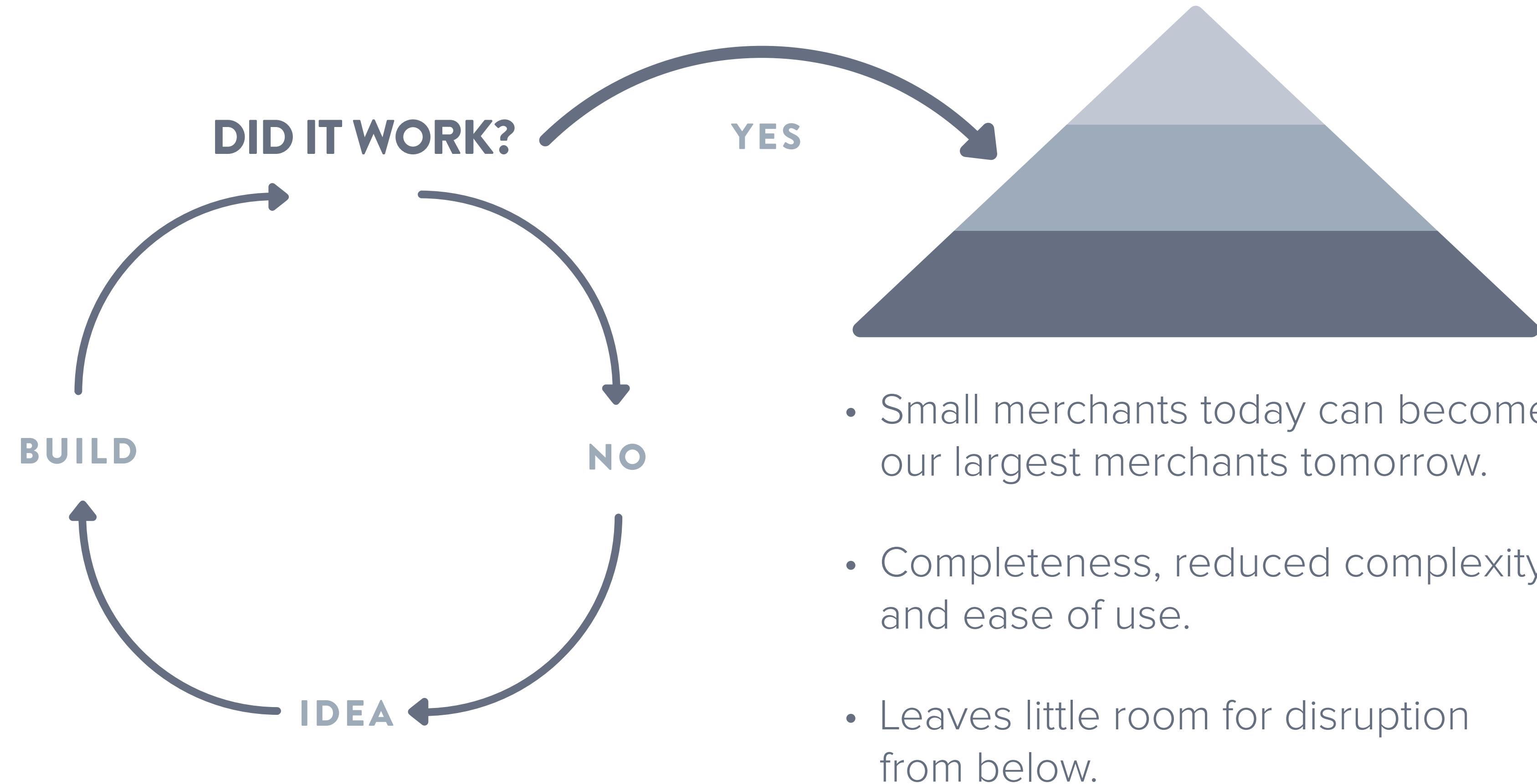


- A single, simple to use back office
- Powering all your sales channels
- Everything integrated

Our Market



Entrepreneurship



Build-a-Business

2011
TIM FERRISS



\$3.5M
SOLD

2012
SETH GODIN



\$12M
SOLD

2013
GARY VAYNERCHUK



\$55M
SOLD

2014
DAYMOND JOHN



\$100M
SOLD

2015
SIR RICHARD BRANSON

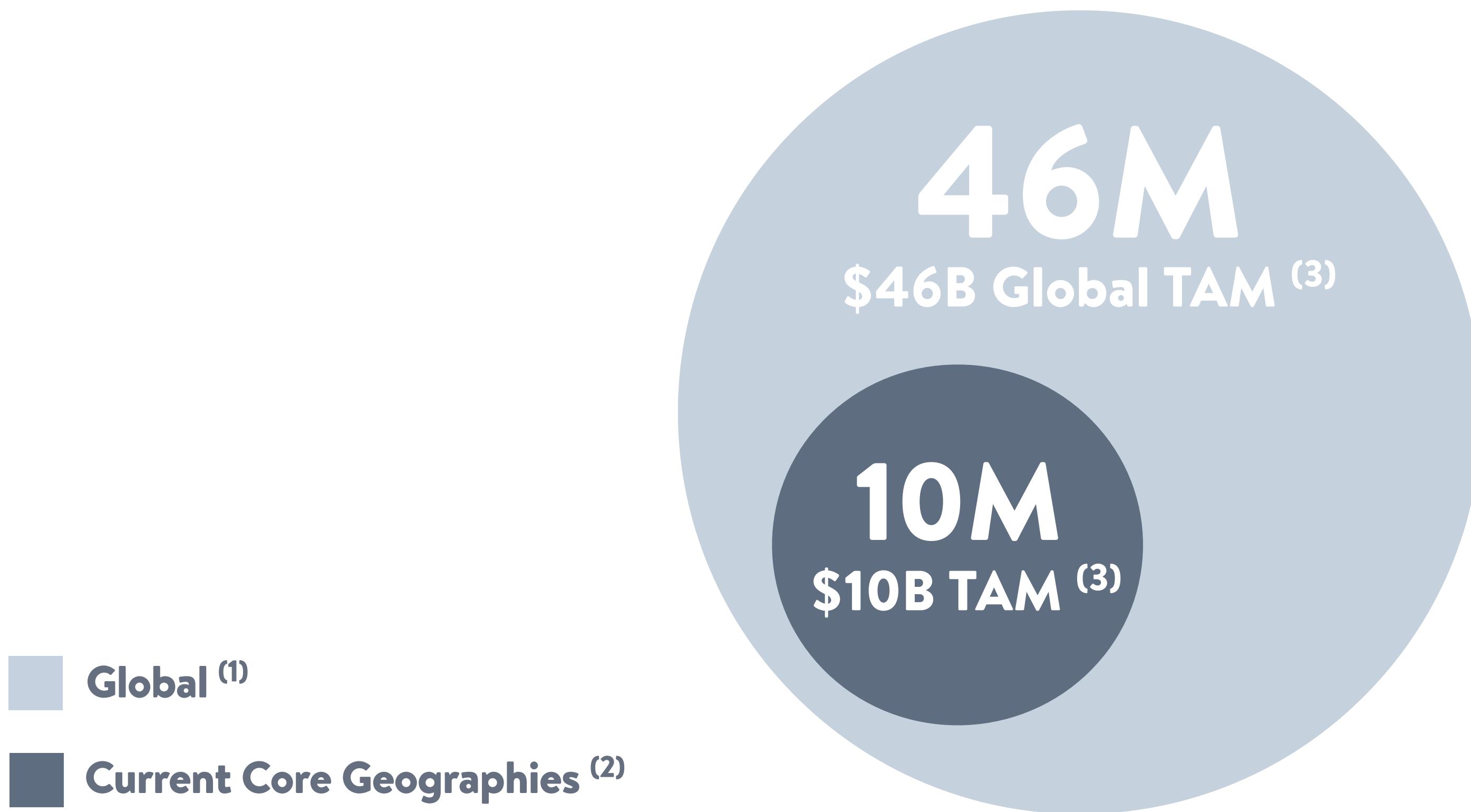


\$250M
SOLD

“I’m biased, but I think being an entrepreneur is a pretty damn good thing.”

– SIR RICHARD BRANSON

Headroom on SMB TAM



Source: AMI Partners

(1) Merchants defined as retailers with less than 500 employees. Includes commercially located businesses, sole proprietorships and home-based businesses

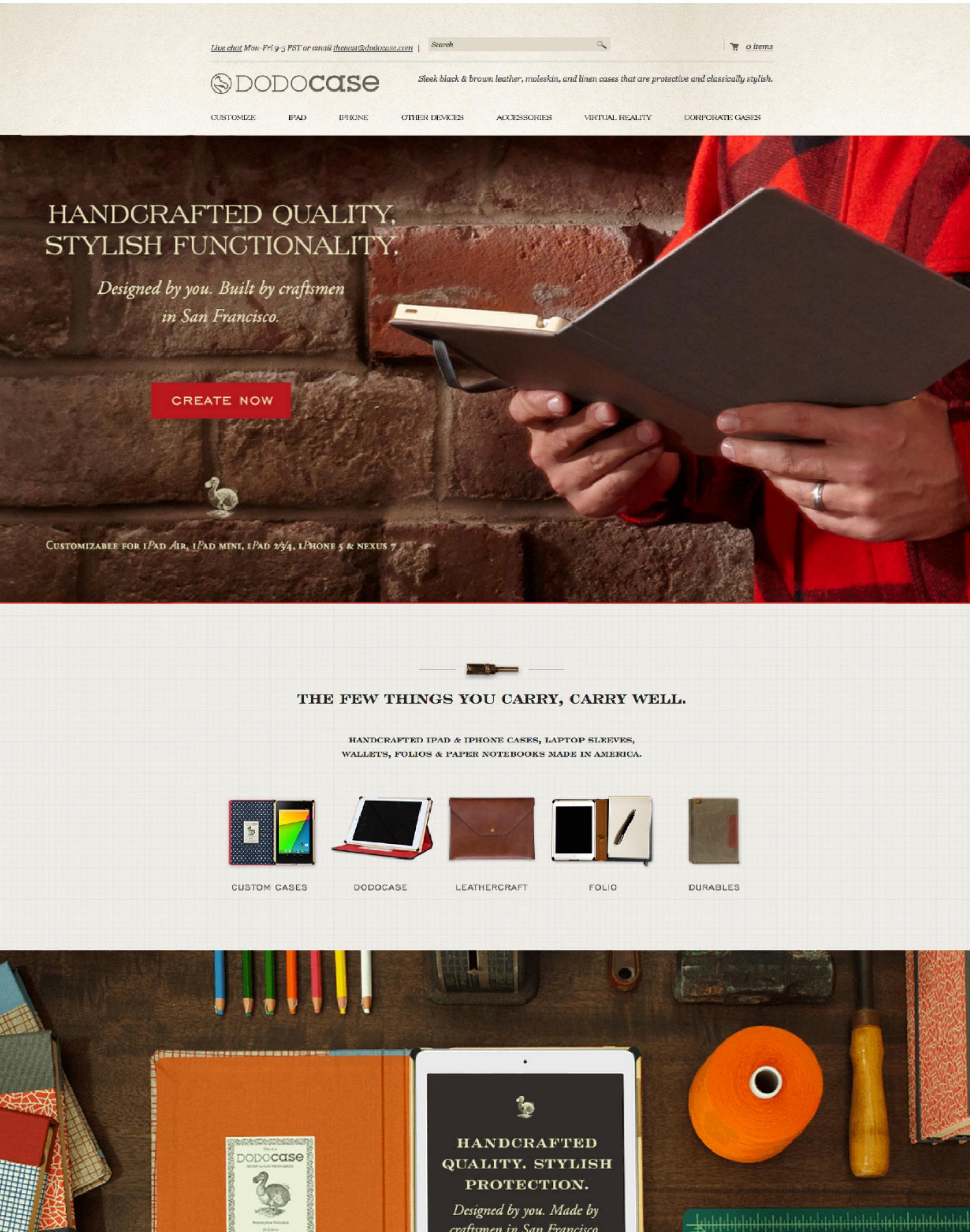
(2) Key geographies include: U.S., Canada, U.K., Western Europe, Australia and New Zealand

(3) Annualized revenue per merchant of approximately \$1,000 based on the three months ended March 31, 2015

Larger Brands



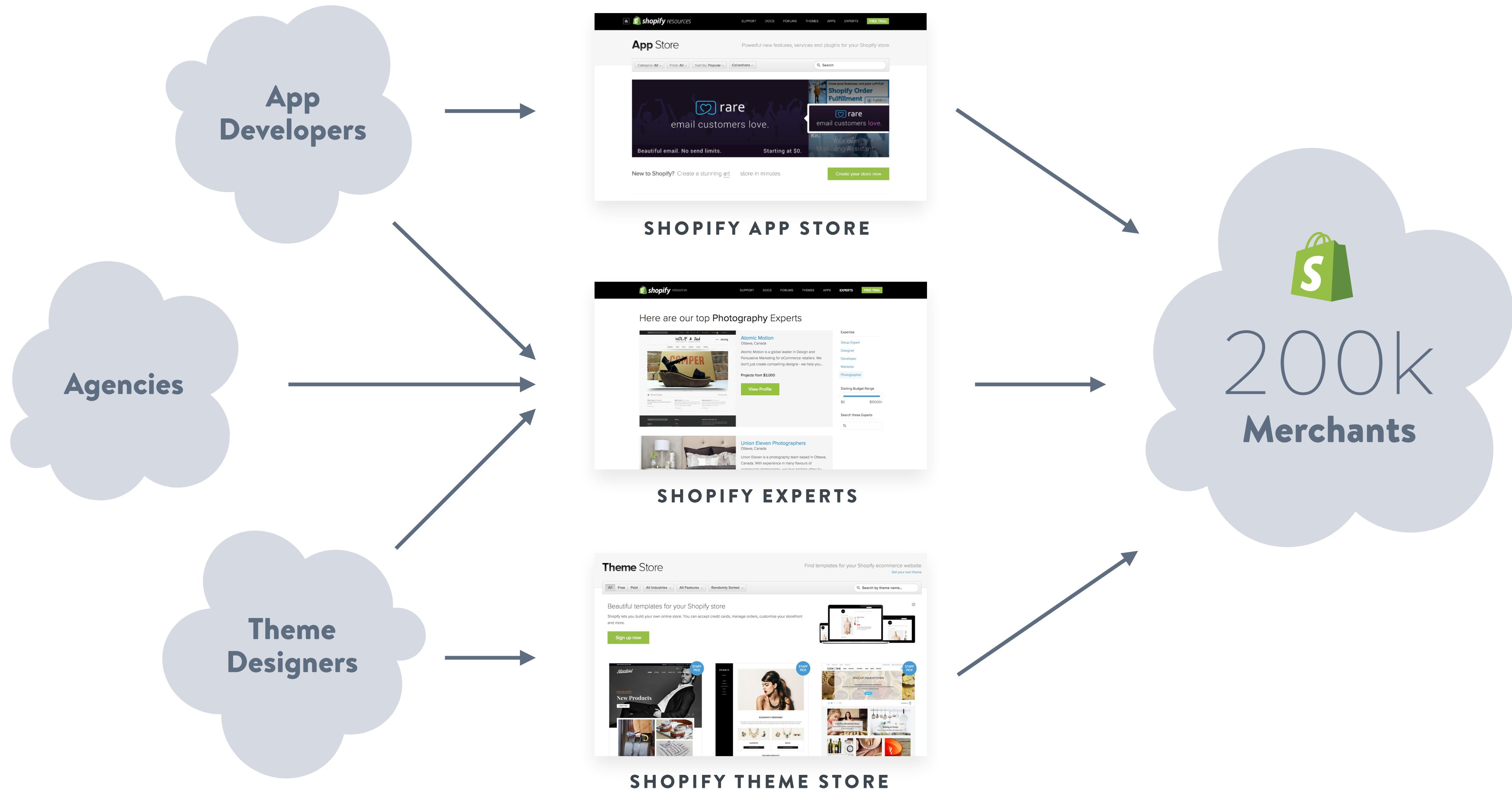
Build-a-Business Success



DODOcase

- **April 2010** Enters BaB competition
- **June 2010** Hits 10k orders in first 90 days
- **July 2010** Wins Shopify's Build A Business Competition
- **April 2011** First year's sales total more than \$3M
- **June 2011** Expands into retail location
- **Nov 2011** Obama starts using a DODOcase
- **2012** Product line expands to iPhone Cases
- **2013** Facebook store launches
- **2014** Upgrades to Shopify Plus
- **2015** 22 full-time employees and growing

Partner Ecosystem



Partners

STRATEGIC PARTNERS

Google™ Domains



amazon

APP AND INTEGRATION PARTNERS



MailChimp.



AdRoll

DESIGN AND DEVELOPMENT AGENCIES

bold

DEMACMEDIA

BVACCEL

SDG Spiegel
DesignGroup

simplistic

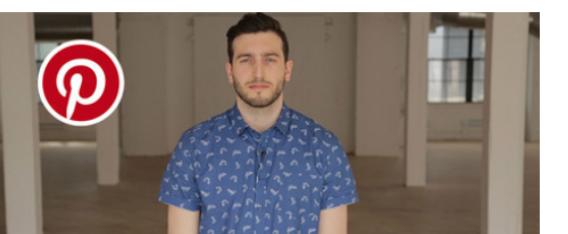
Articles Guides Forums Success stories Growth tools



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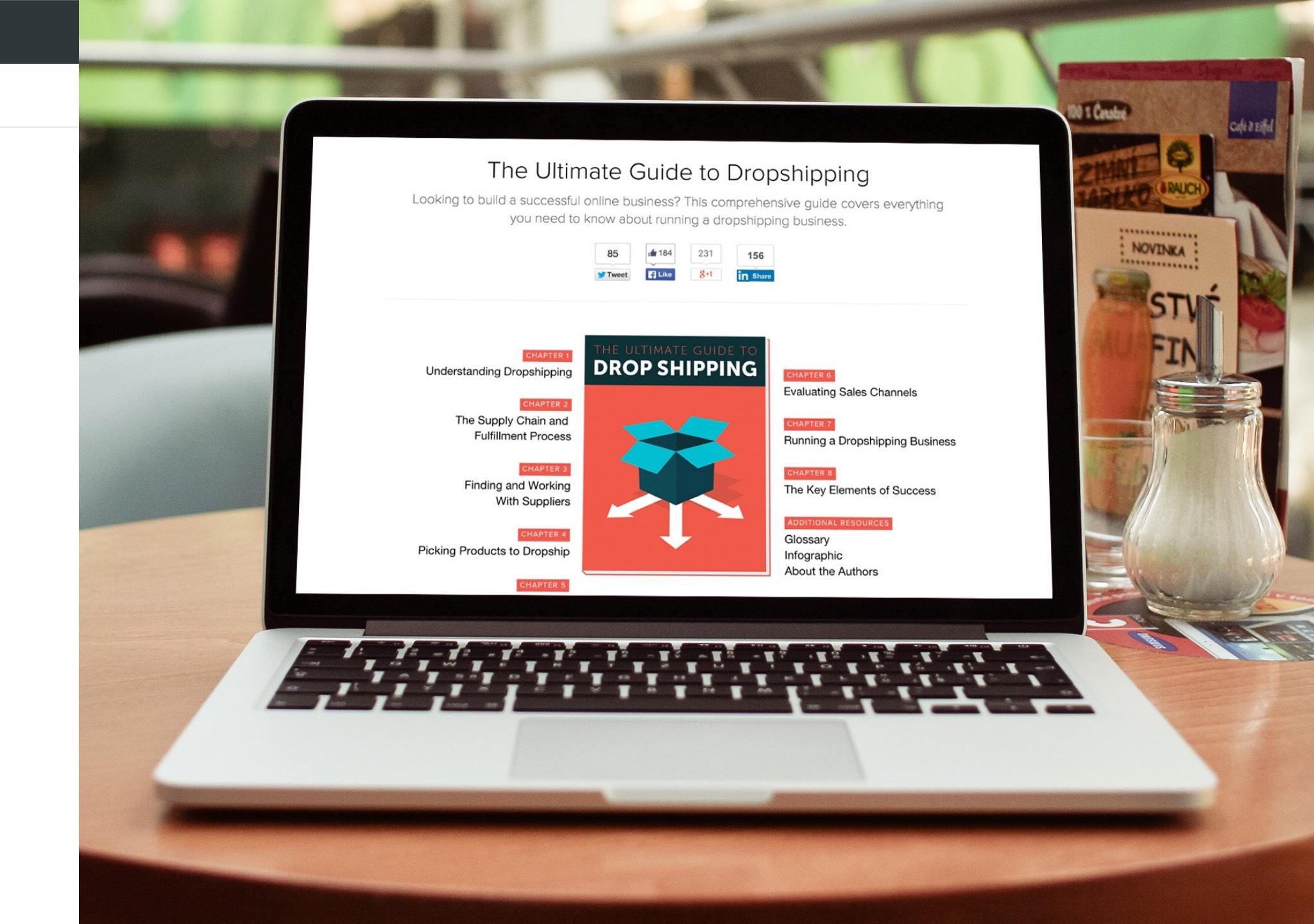
Announcements • 1515 shares

Shopify Files For Proposed Initial Public Offering

by Tobias Lütke • Apr 14, 2015



Global In-person Events

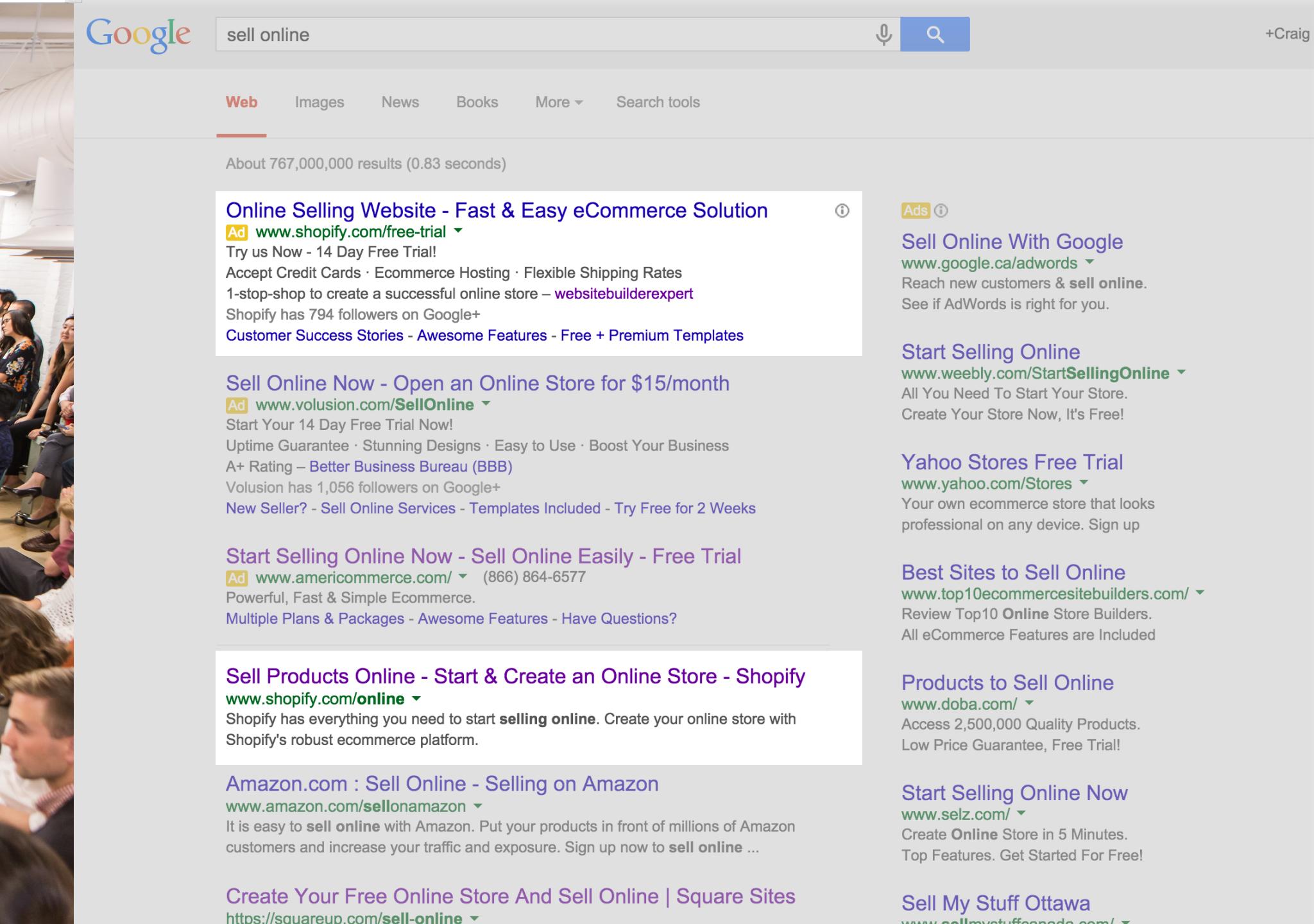


The Ultimate Guide to Dropshipping

Looking to build a successful online business? This comprehensive guide covers everything you need to know about running a dropshipping business.

85 184 231 156

| | |
|----------------------|--|
| CHAPTER 1 | Understanding Dropshipping |
| CHAPTER 2 | The Supply Chain and Fulfillment Process |
| CHAPTER 3 | Finding and Working With Suppliers |
| CHAPTER 4 | Picking Products to Dropship |
| CHAPTER 5 | Running a Dropshipping Business |
| CHAPTER 6 | Evaluating Sales Channels |
| CHAPTER 7 | The Key Elements of Success |
| ADDITIONAL RESOURCES | Glossary Infographic About the Authors |



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Create Your Free Online Store And Sell Online | Square Sites

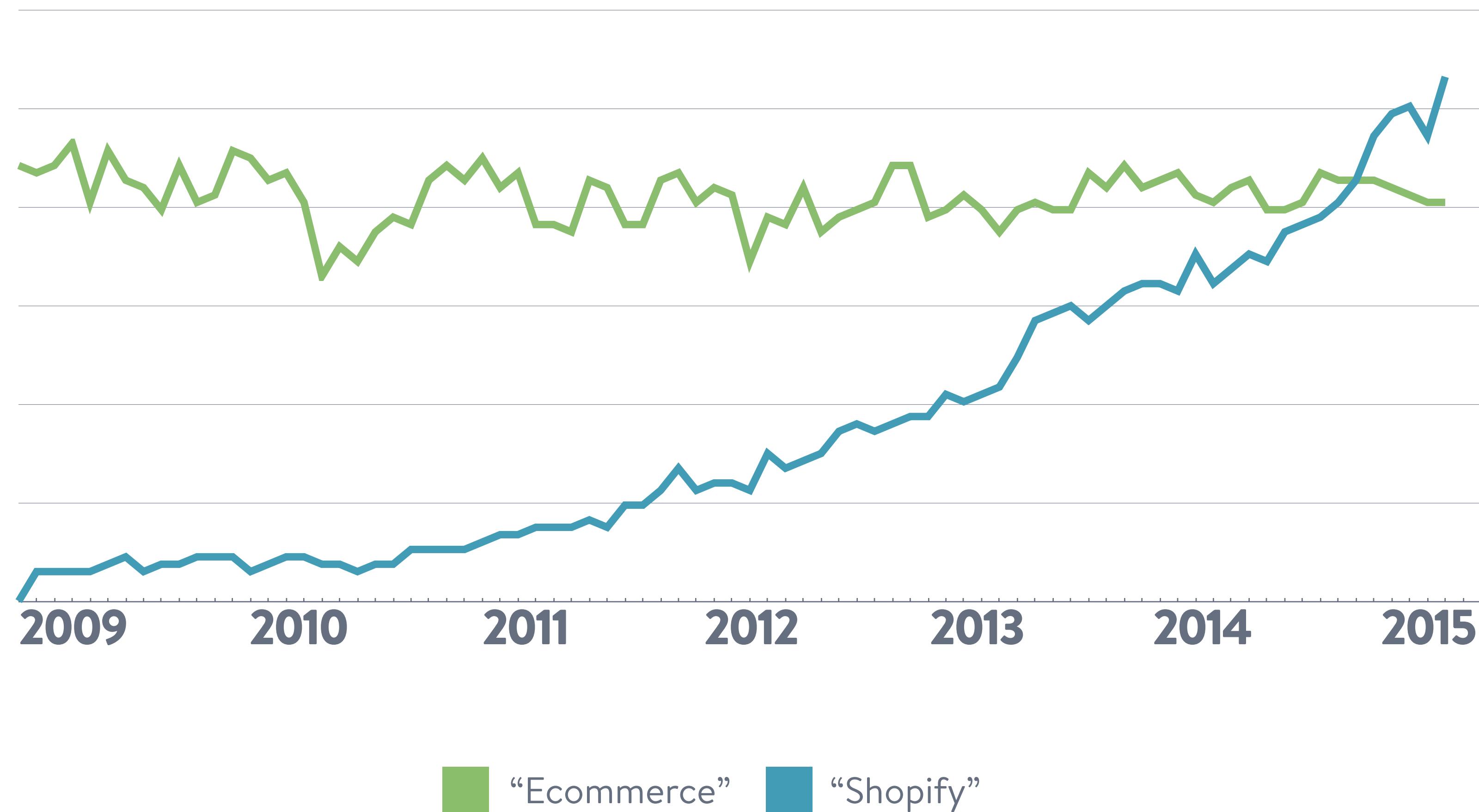
<https://squareup.com/sell-online> ▾

Content Marketing

Search Engine Marketing

Synonymous with Ecommerce

GOOGLE TRENDS DATA FILTERED FOR USA



Shopify's Unique Recipe

A screenshot of a Mac OS X desktop showing a code editor window for a Ruby on Rails application. The file 'notify_hipchat.rb' is open, showing code for a 'NotifyHipchat' job. The code includes methods for performing notifications via Hipchat and generating URLs for event details. The editor shows syntax highlighting for Ruby and HTML.

```
require_relative "job"

class NotifyHipchat < Job
  attr_writer :hipchat_integration
  attr_writer :url_generator
  attr_writer :event_finder

  def perform
    hipchat_integration.notify_chat(message, color: chat_color)
  end

  private

  def message
    details_url = url_generator.private_repo_code_url(event.repo, event)
    message = %(#{event.repo_human_name})<a href="#{details_url}"><b>#{event.repo_human_name}</b></a>
    if event.previous_rating.better_than?(event.rating)
      message <> "<b>declined</b>"
    else
      message <> "<b>improved</b>"
    end

    message <> " from "
    message <> event.previous_rating.indefinite_article
  end
end
```

Great Technology

Multi-tenant, scalable,
high availability architecture



Beautiful Design

Simple, limitless customization
of gorgeous themes



Robust Ecosystem

Hundreds of Apps,
Themes, and Experts

THE NUMBERS



Financial Highlights

I

GROWTH

Strong, consistent growth in Revenue, MRR and GMV

II

POWERFUL BUSINESS MODEL

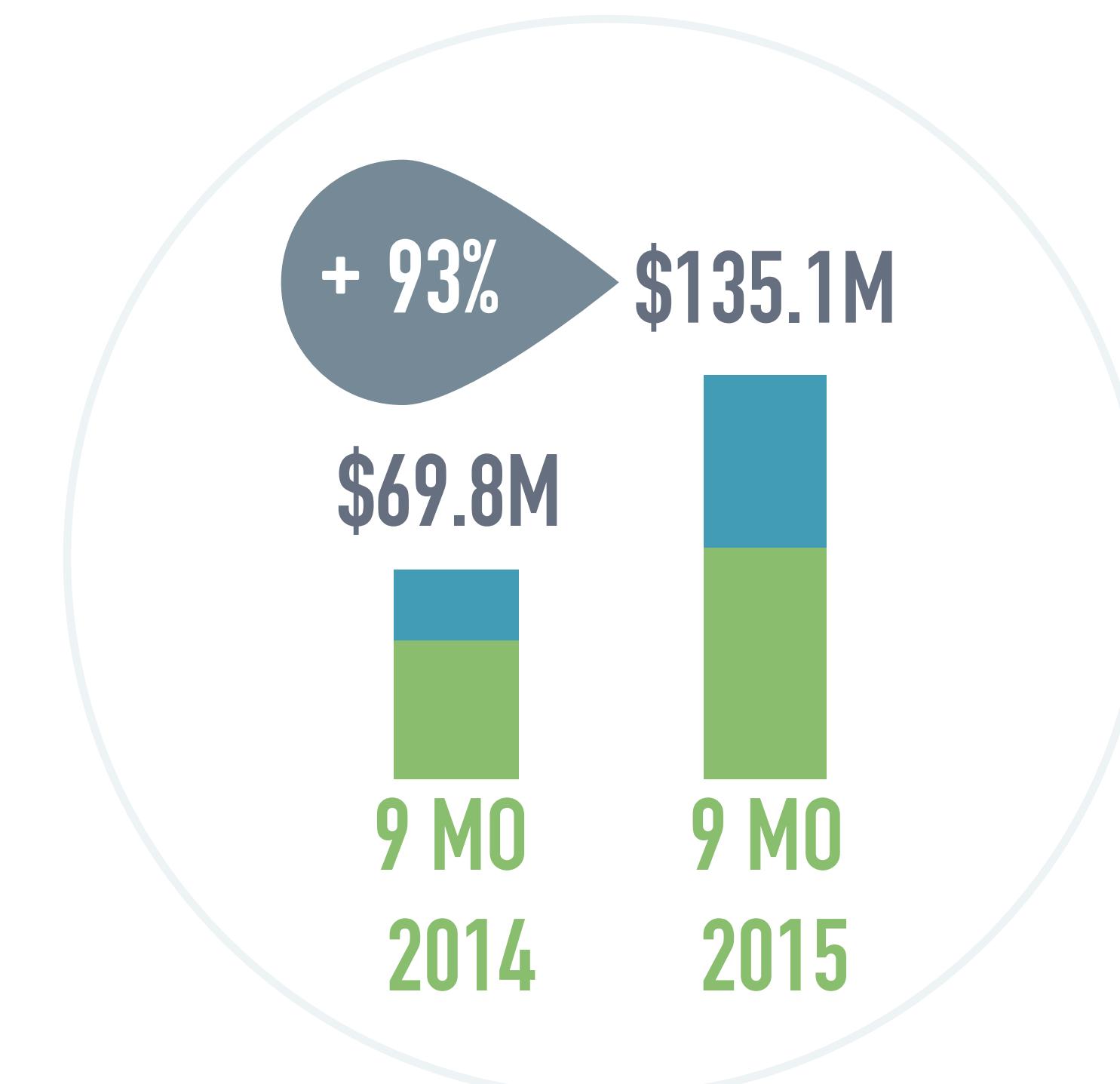
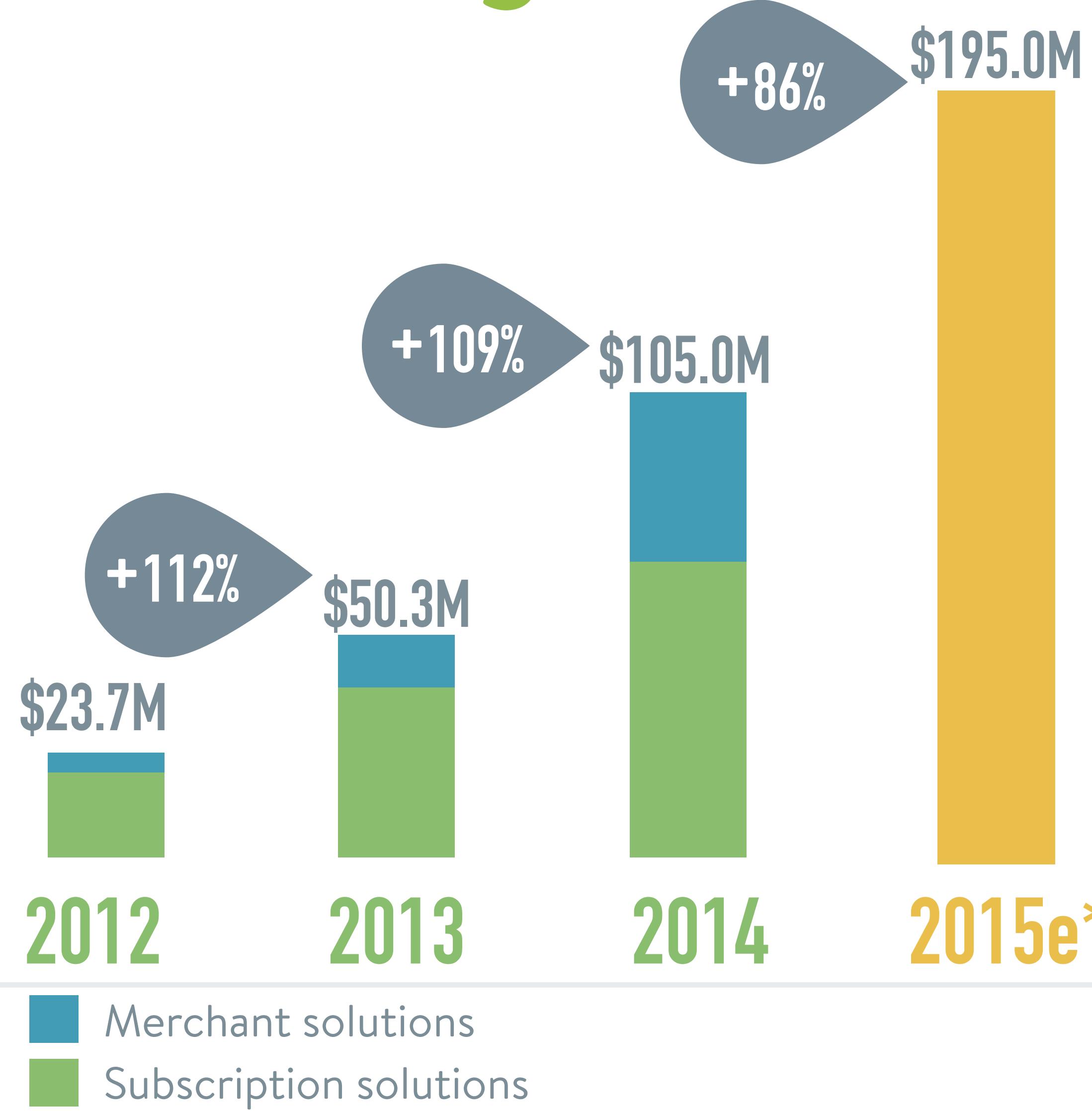
Success-based revenue stream built on a large recurring subscription (SaaS) base

III

LONG-TERM FOCUS

Strong track record of cash management and investing for the long term

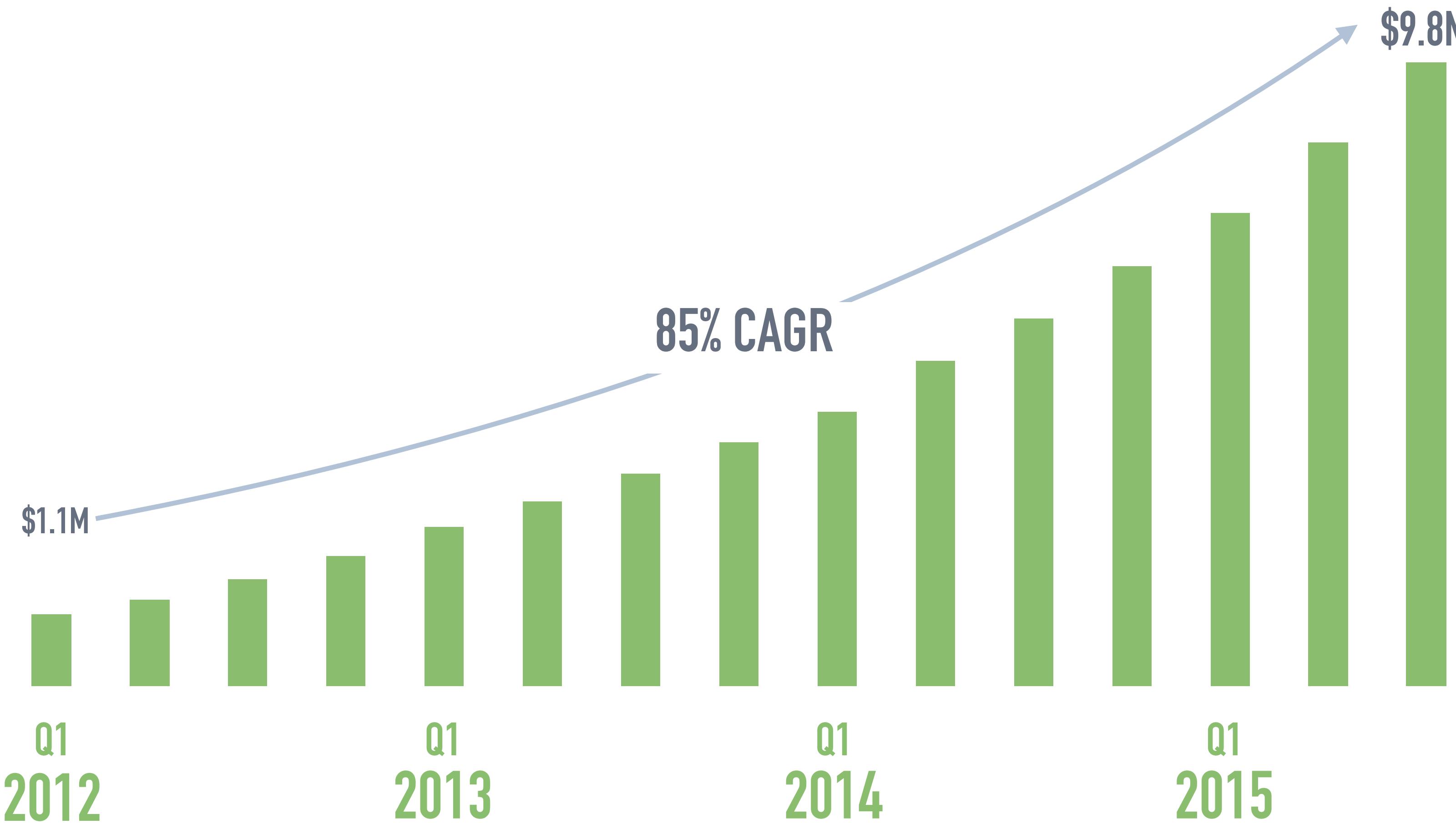
Strong Consistent Revenue Growth



DRIVERS

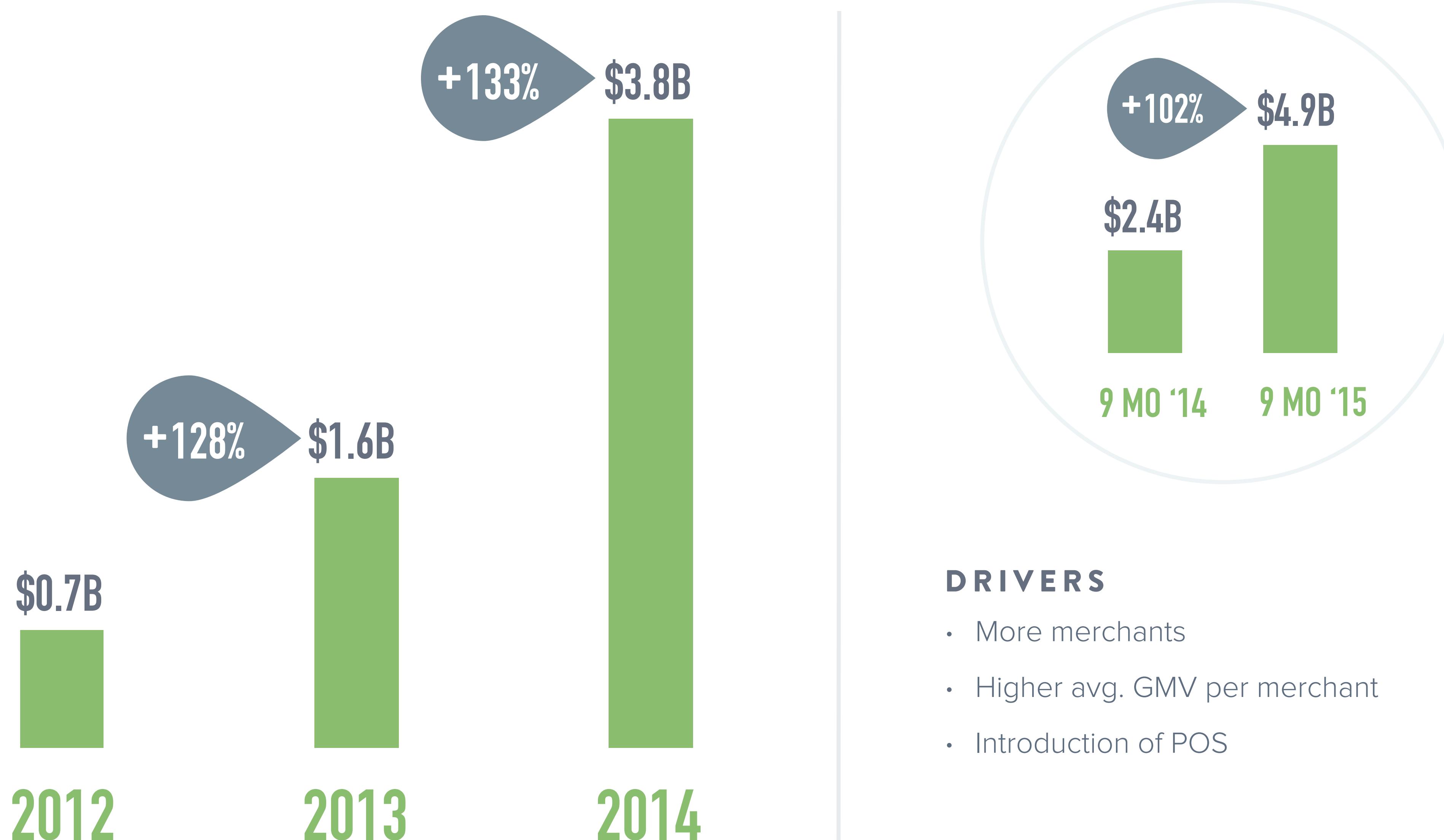
- Growing merchant base
- Expanding GMV
- Introduction and adoption of merchant offerings
- Robust partner ecosystem

Strong Consistent MRR Growth



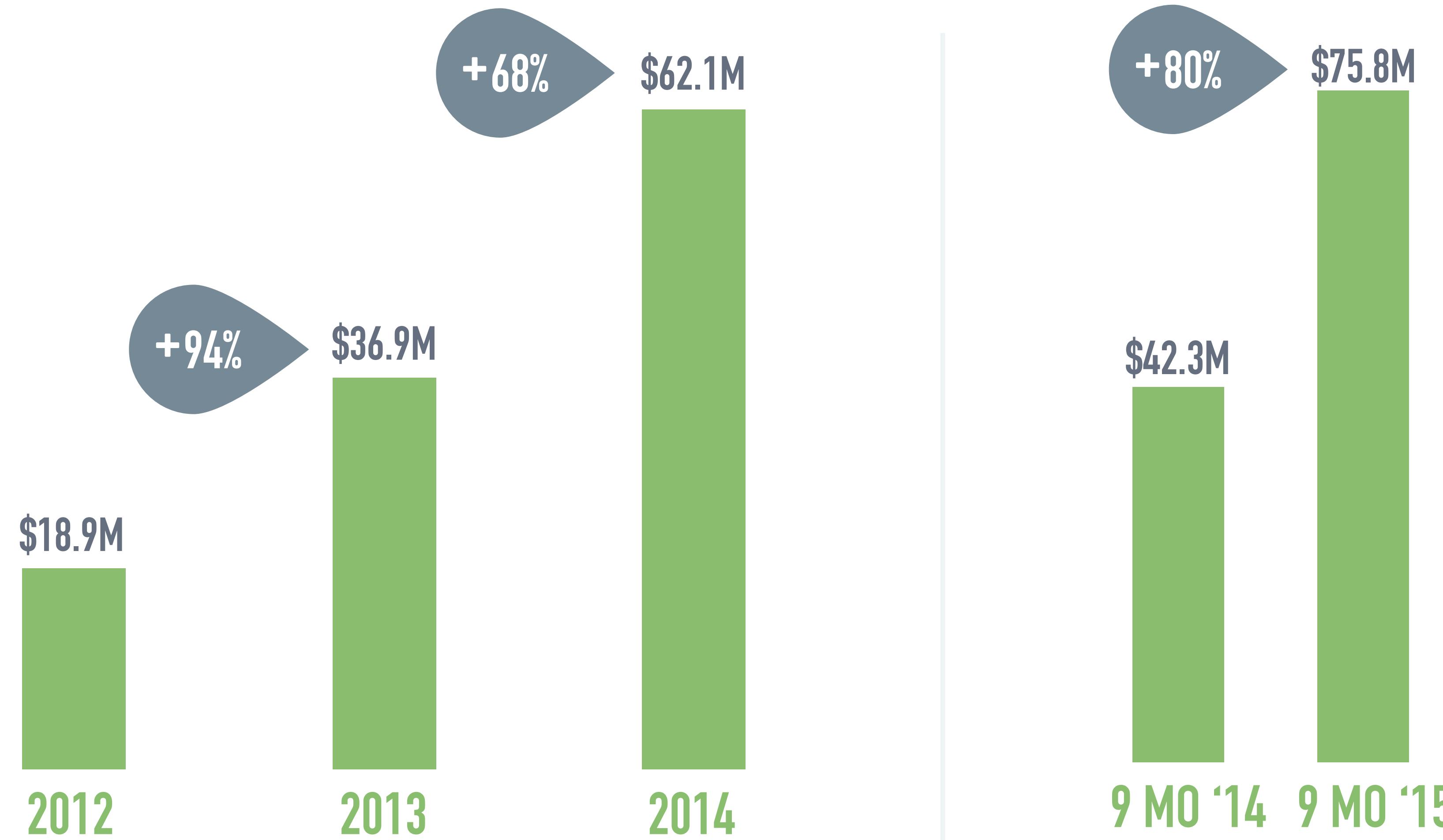
Monthly Recurring Revenue, or MRR, is calculated at the end of each period by multiplying the number of merchants who have subscription plans with us at the period end date by the average monthly subscription plan fee revenue in effect on the last day of that period, assuming they maintain their subscription plans the following month.

Strong Consistent GMV Growth



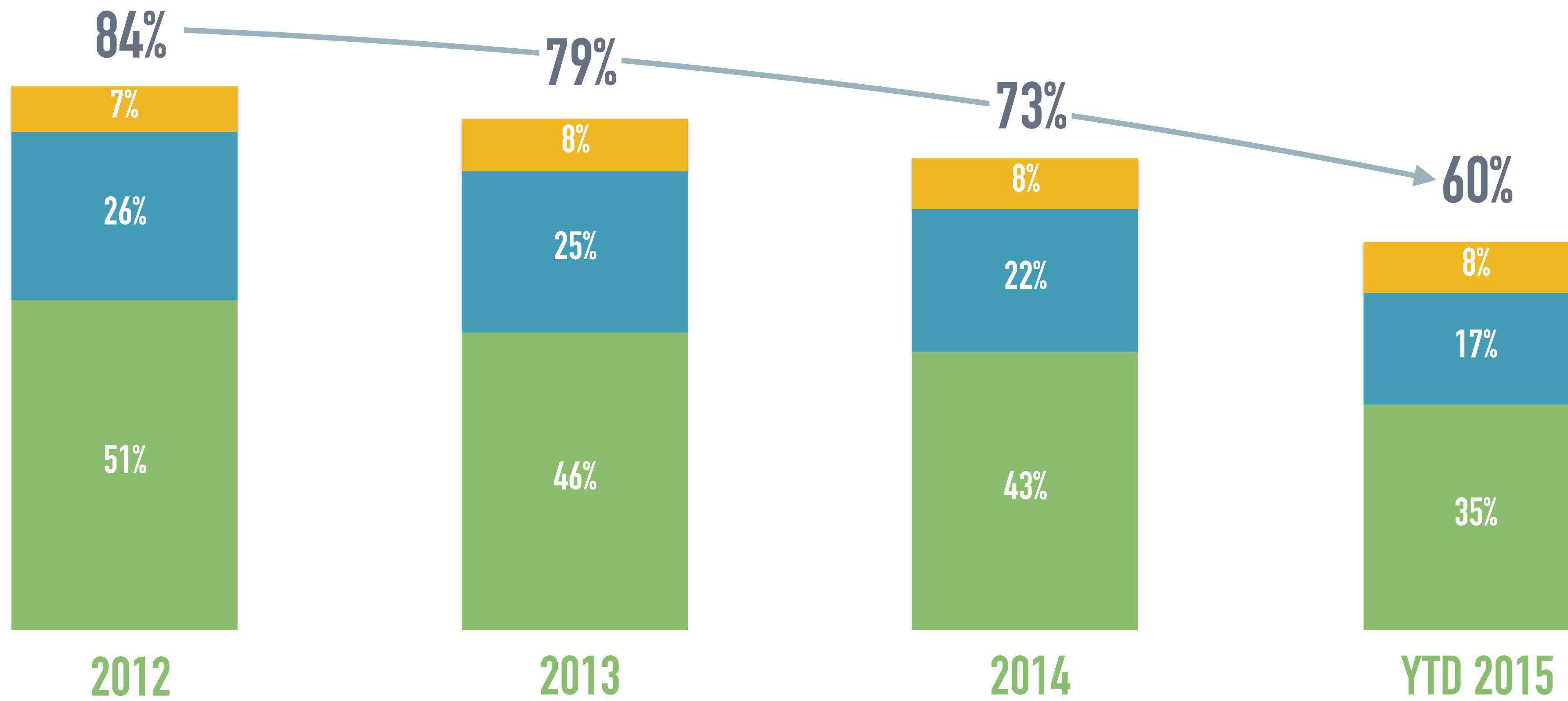
Powerful Business Model

GROSS PROFIT



Excludes SBC expense

Operating Leverage



AS A PERCENTAGE OF REVENUE

S&M

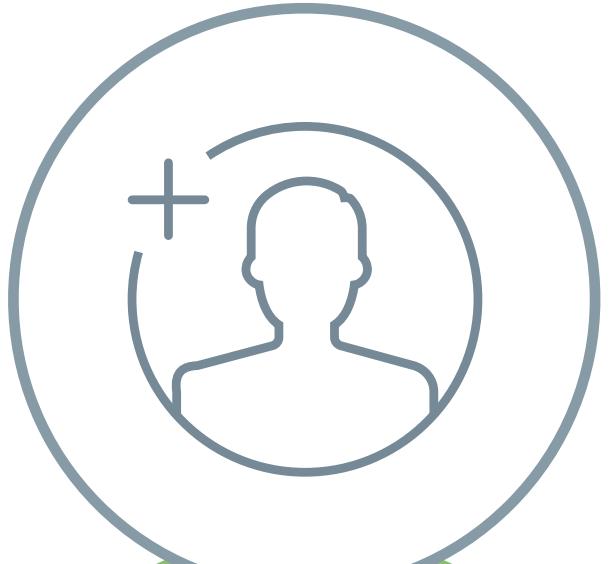
R&D

G&A

Excludes SBC and Sales Tax expense

Growth Vectors

More Merchants
& More GMV



More Solutions



More Channels



More Partners



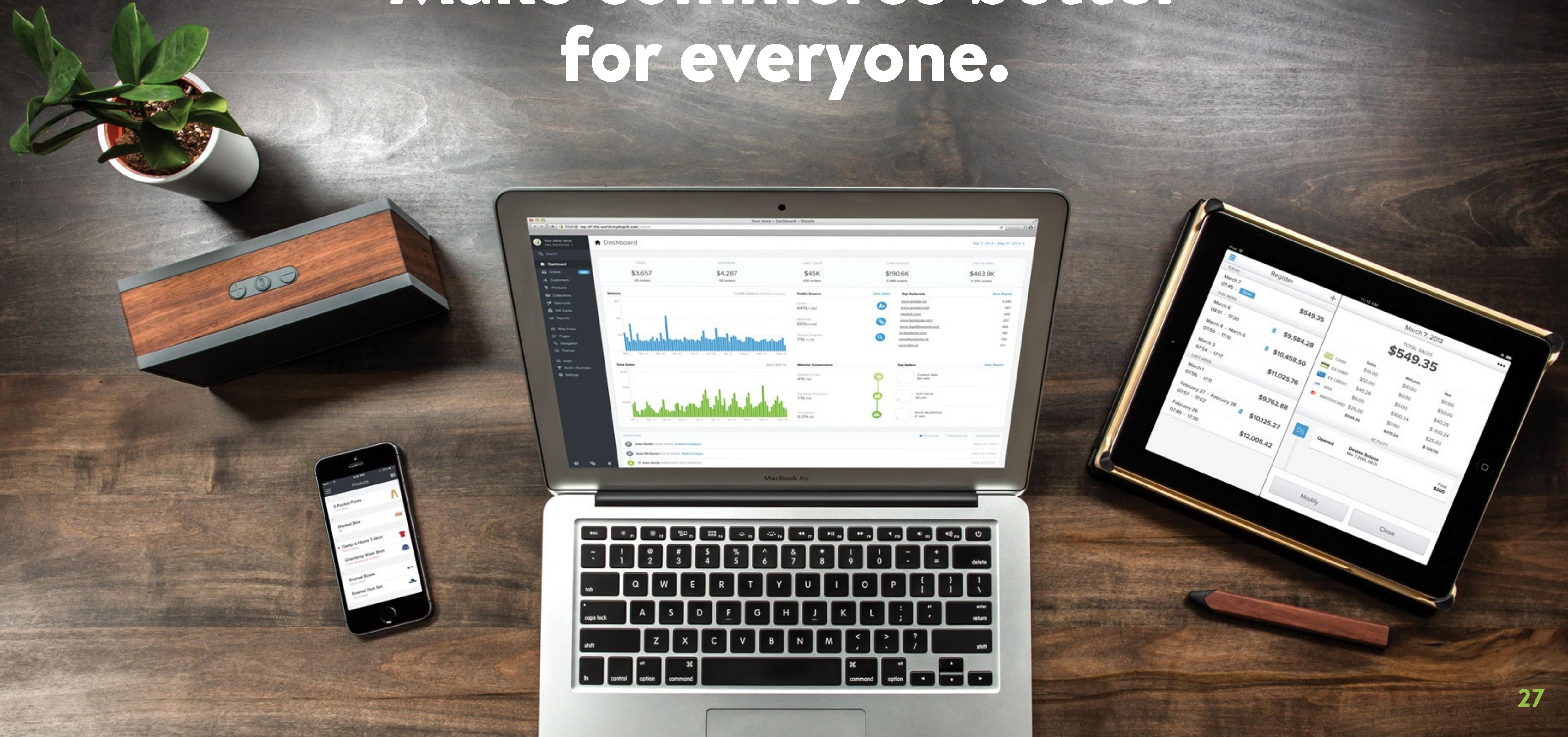
More International Penetration



Investment Highlights

- **Enormous Opportunity** – Multichannel commerce platform targeted at SMB market.
- **Powerful Business Model** – Rapidly growing SaaS and success-based business model.
- **World-class Product** – Well-crafted for simplicity and scalability.
- **Vast Ecosystem** – Engaged and expanding partner ecosystem that is difficult to replicate.
- **Vision** – Product-driven team with a long-term focus.

Make commerce better for everyone.



APPENDIX



Reconciliation to GAAP Figures

| | 2012 | 2013 | 2014 | 9 mo ended Sept 30, 2014 | 9 mo ended Sept 30, 2015 |
|--|--------|--------|--------|--------------------------|--------------------------|
| GAAP Gross profit | 18,937 | 36,739 | 61,795 | 42,182 | 75,561 |
| add: cost of revenues SBC | 11 | 113 | 259 | 159 | 198 |
| Non-GAAP Gross Profit | 18,948 | 36,852 | 62,054 | 42,341 | 75,759 |
| % of Revenue | 80% | 73% | 59% | 61% | 56% |
| | | | | | |
| GAAP Sales and marketing | 12,262 | 23,351 | 45,929 | 33,720 | 47,847 |
| less: Sales and marketing SBC | 66 | 354 | 696 | 451 | 681 |
| Non-GAAP Sales and Marketing | 12,196 | 22,997 | 45,233 | 33,269 | 47,166 |
| % of Revenue | 51% | 46% | 43% | 48% | 35% |
| | | | | | |
| GAAP Research and development | 6,452 | 13,682 | 25,915 | 19,296 | 26,181 |
| less: Research and development SBC | 282 | 1,152 | 2,776 | 2,010 | 2,853 |
| Non-GAAP Research and development | 6,170 | 12,530 | 23,139 | 17,286 | 23,328 |
| % of Revenue | 26% | 25% | 22% | 25% | 17% |
| | | | | | |
| GAAP General and administrative | 1,737 | 3,975 | 11,566 | 6,286 | 12,770 |
| less: General and administrative SBC | 49 | 147 | 712 | 347 | 1,547 |
| less: Non-recurring sales and use tax expense | - | - | 2,182 | - | 566 |
| Non-GAAP General and administrative | 1,688 | 3,828 | 8,672 | 5,939 | 10,657 |
| % of Revenue | 7% | 8% | 8% | 9% | 8% |
| | | | | | |
| GAAP Operating Expense | 20,451 | 41,008 | 83,410 | 59,302 | 86,798 |
| less: Operating SBC | 397 | 1,653 | 4,184 | 2,808 | 5,081 |
| less: Non-recurring sales and use tax expense | - | - | 2,182 | - | 566 |
| Non-GAAP Operating Expense | 20,054 | 39,355 | 77,044 | 56,494 | 81,185 |
| % of Revenue | 84% | 79% | 73% | 81% | 60% |