



Company Overview

March 2017

Proprietary and Confidential

shutterstock

Safe Harbor Statement

This presentation contains “forward-looking” statements within the meaning of the Private Securities Litigation Reform Act of 1995 that are based on our management’s beliefs and assumptions and on information currently available to management. Forward-looking statements include information concerning our possible or assumed future results of operations, business strategies, financing plans, competitive position, industry environment, potential growth opportunities, potential market opportunities and the effects of competition.

Forward-looking statements include all statements that are not historical facts and can be identified by terms such as “anticipates,” “believes,” “could,” “seeks,” “estimates,” “intends,” “may,” “plans,” “potential,” “predicts,” “projects,” “should,” “will,” “would” or similar expressions and the negatives of those terms. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Forward-looking statements represent our management’s beliefs and assumptions only as of the date of our most recent public filings. You should read our public filings, including the Risk Factors set forth therein and the documents that we have filed as exhibits to those filings, completely and with the understanding that our actual future results may be materially different from what we currently expect. Except as required by law, we assume no obligation to update these forward-looking statements publicly, or to update the reasons actual results could differ materially from those anticipated in the forward-looking statements, even if new information becomes available in the future.

Non-GAAP Financial Measures

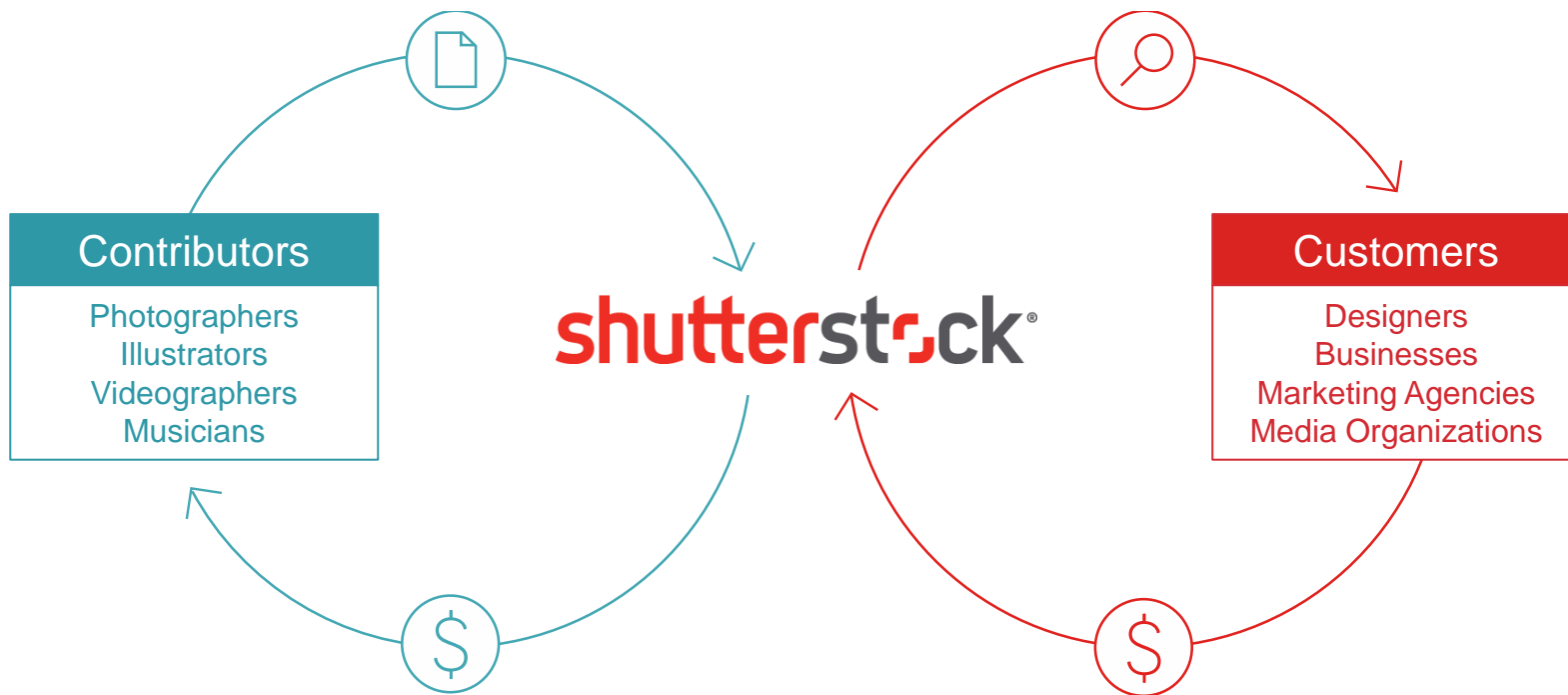
In addition to reporting financial results in accordance with GAAP, we also refer to adjusted EBITDA, adjusted net income and free cash flow. We define adjusted EBITDA as net income adjusted for foreign currency transaction gains and losses, changes in fair value of contingent consideration related to acquisitions, interest income and expense, income taxes, depreciation, amortization, disposals and non-cash equity-based compensation; adjusted net income as net income excluding the impact of non-cash equity-based compensation, the amortization of acquisition-related intangible assets and changes in the fair value of contingent consideration related to acquisitions and the estimated tax impact of such adjustments; revenue growth on a constant currency basis (expressed as a percentage) as the increase in current period revenues over prior period revenues, utilizing fixed exchange rates for translating foreign currency revenues for both periods; and free cash flow as cash provided by/(used in) operating activities adjusted for capital expenditures and content acquisition. These figures are non-GAAP financial measures and should be considered in addition to results prepared in accordance with generally accepted accounting principles (GAAP), and should not be considered as a substitute for, or superior to, GAAP results.

We use the non-GAAP financial measures adjusted EBITDA, adjusted net income, and free cash flow, in conjunction with GAAP financial measures, as an integral part of managing the business and to, among other things: (i) monitor and evaluate the performance of Shutterstock's business operations, financial performance and overall liquidity; (ii) facilitate management's internal comparisons of the historical operating performance of its business operations; (iii) facilitate management's external comparisons of the results of its overall business to the historical operating performance of other companies that may have different capital structures and debt levels; (iv) review and assess the operating performance of Shutterstock's management team and, together with other operational objectives, as a measure in evaluating employee compensation and bonuses; (v) analyze and evaluate financial and strategic planning decisions regarding future operating investments; and (vi) plan for and prepare future annual operating budgets and determine appropriate levels of operating investments.

We believe that adjusted EBITDA and adjusted net income are useful to investors to provide them with disclosures of our operating results on the same basis as that used by management. Additionally, we believe that adjusted EBITDA and adjusted net income provide useful information to investors about the performance of the Company's overall business because such measures eliminate the effects of unusual or other infrequent charges that are not directly attributable to our underlying operating performance. Additionally, we believe that providing these non-GAAP financial measures enhances the comparability for investors in assessing our financial reporting. We believe that free cash flow is useful for investors because it provides them with an important perspective on the cash available for strategic measures, after making necessary capital investments in property and equipment to support the Company's ongoing business operations, and provides them with the same measures that we use as the basis for making resource allocation decisions.

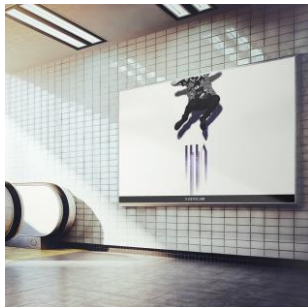
Please refer to the reconciliation of the differences between adjusted EBITDA, adjusted net income, and free cash flow, and the most comparable financial measure calculated and presented in accordance with GAAP, presented under the heading "Reconciliation of Non-GAAP Financial Information to GAAP" immediately following the Consolidated Balance Sheets in today's earnings release, which is available in the Investor Relations section of our website.

The Leading Global Marketplace for Stock Content



All Businesses Need Content

Ad Agencies



Fortune 500s



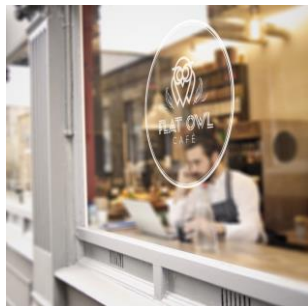
Freelancers



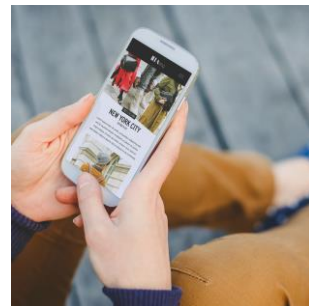
Publishers



Small Businesses

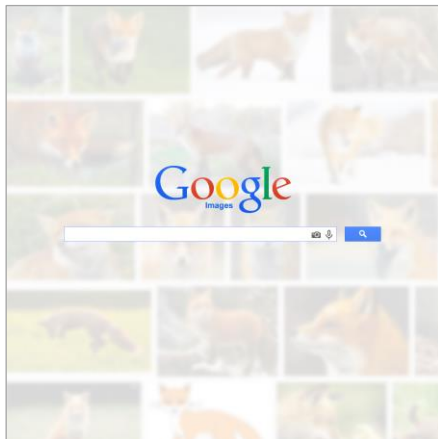


Bloggers



Traditional Challenges in Licensing Content

Web Search



- Unlicensed
- Mixed quality
- Time-consuming

Commissioned



- \$2,000 to \$20,000+
- Days to weeks
- Uncertain results

Traditional Stock



- Often \$200-\$500+
- Time consuming
- Complex licensing

A Highly Disruptive Solution

Simple

- All content royalty free
- Clearly defined pricing
- Clearly defined usage terms

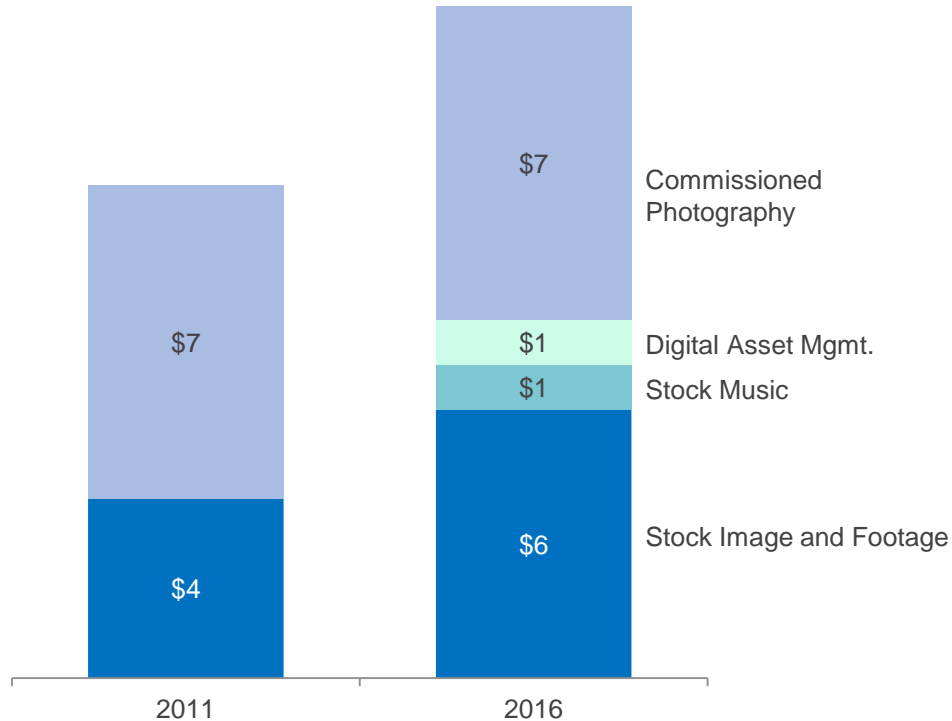
Immediate

- All content usable upon download
- No negotiation necessary
- Search capabilities enable finding content quickly

Affordable

- Available via subscription or on-demand
- Broad range of price points to meet needs of businesses of all sizes
- Content costs a fraction of commissioned or rights managed content

Expanding Addressable Market



Source -- Addressable Market: Company estimates.
Source -- Website Growth: Netcraft Survey (2013).
Source -- Smartphone Growth: Morgan Stanley Research.

Key Trends

- Evolution of modern communication
 - Websites: 4x growth since 2009
 - Smartphones: 10x growth since 2009
- Internet ad market growing 15%
- Transition from commissioned to stock
- Growth of new stock content genres - footage and music

Why Customers Choose Shutterstock



Content

Largest and freshest library



Search

Fast, relevant and unbiased



Value

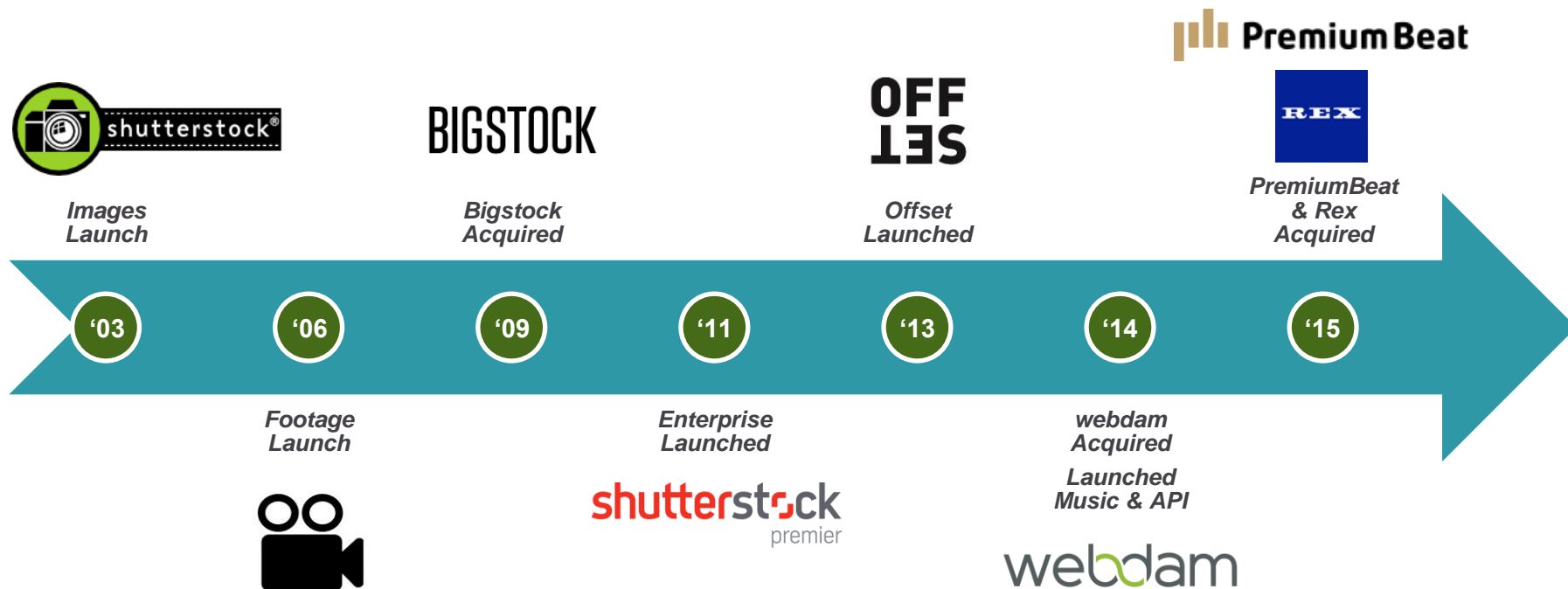
Simple and frictionless



Innovation

Constantly improving
and delighting

SSTK Has Evolved to Meet Customer Needs Over Time



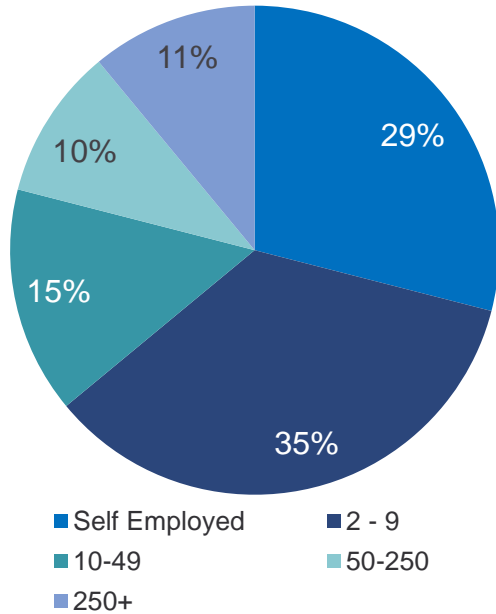
Global Reach



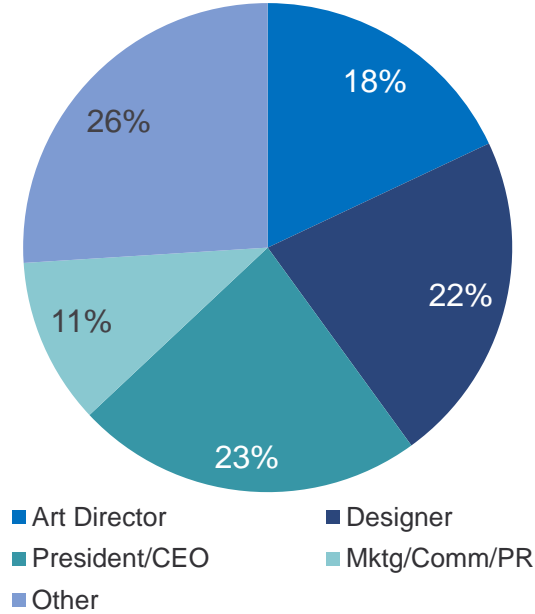
- Customers in nearly every country
- 20 languages
- Over 800 employees

Diverse Users of Stock Content

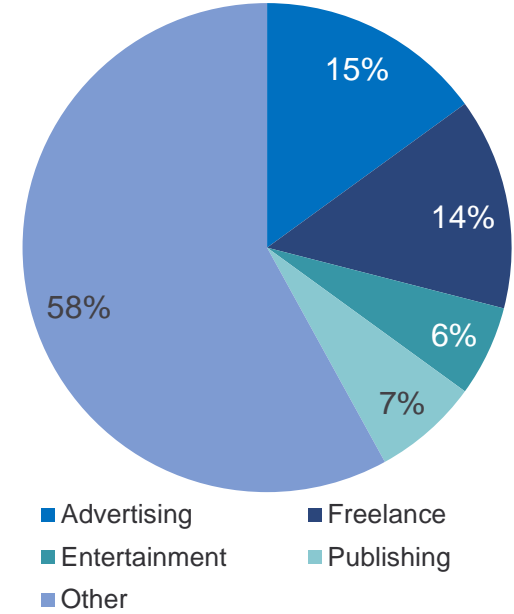
Company Size



Job Title



Industry

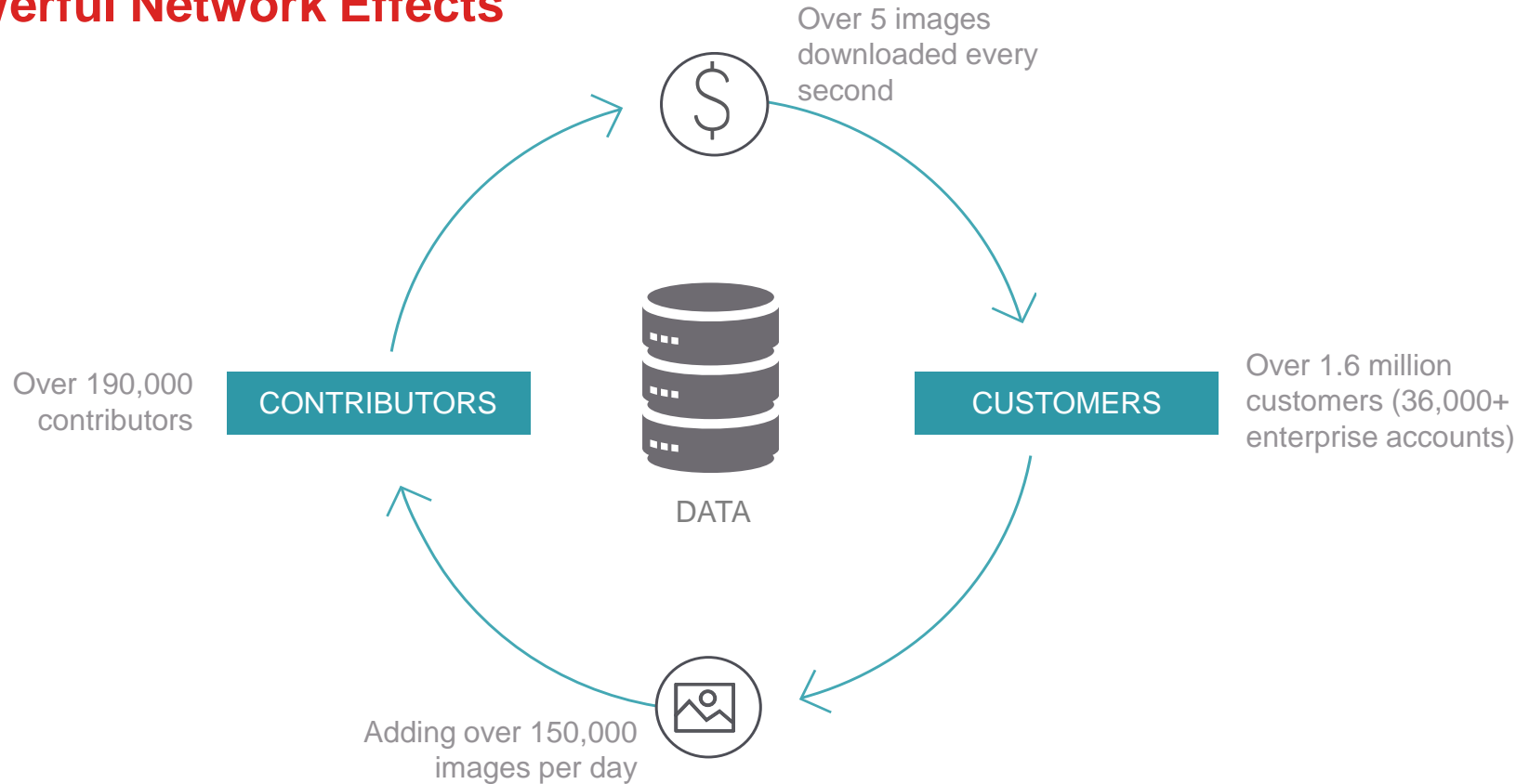


Shutterstock is Growing the Market

52%

of new Shutterstock customers
are licensing content for the first time

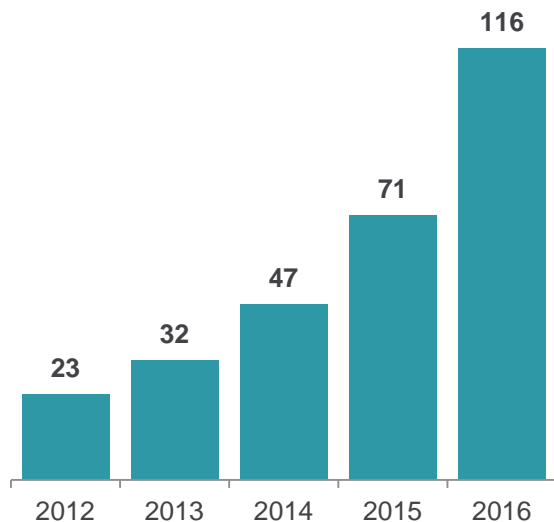
Powerful Network Effects



Consistent Growth in Key Metrics

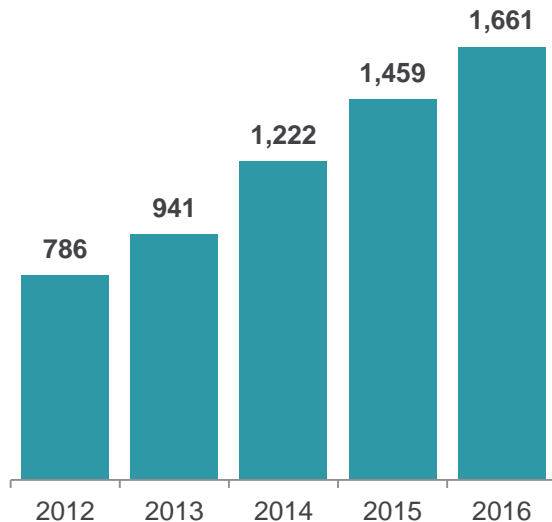
Images in Library

(M)

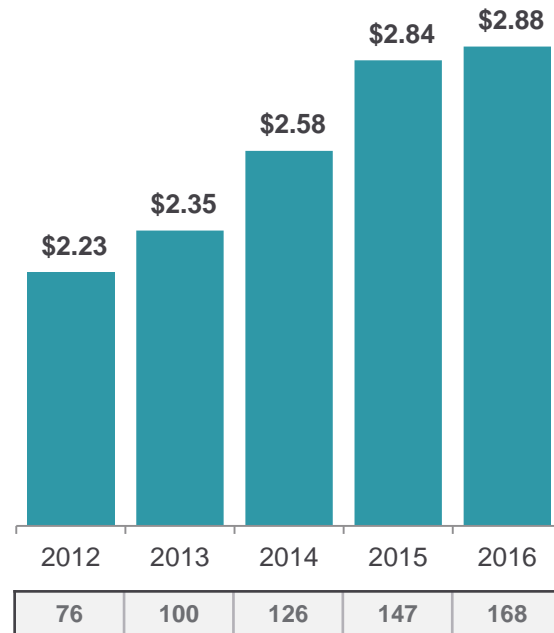


Active Customers

(000s)



Revenue per Download



76	100	126	147	168
----	-----	-----	-----	-----

Paid Downloads (in millions)

Building Multiple New Growth Drivers While Delivering Sustained and Significant Financial Growth



Expanding global reach and penetration into every country



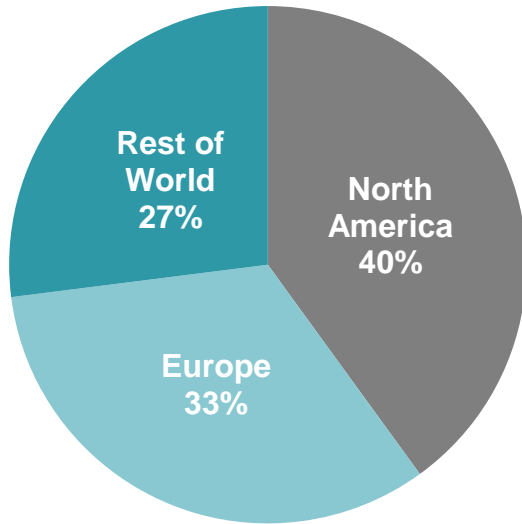
Capitalizing on growing demand for video content



Rapidly building diverse enterprise client base

Global Footprint

Geographic Rev Breakdown (FY'16)



Key Stats

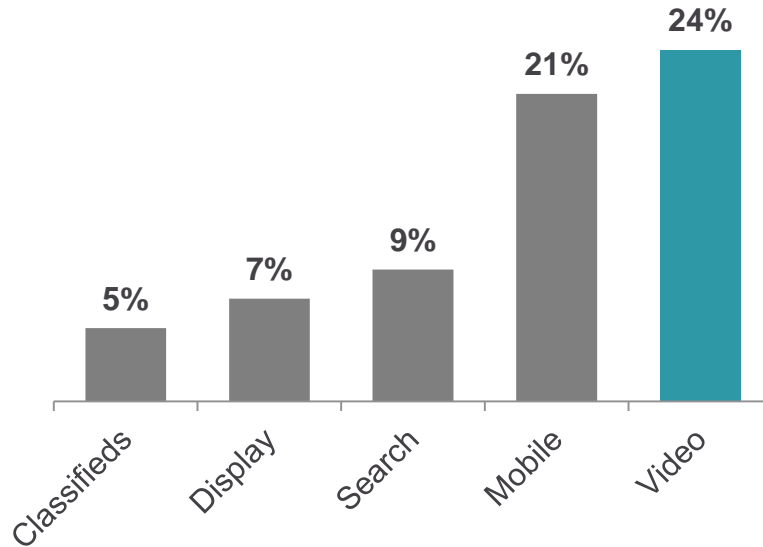
- Generate revenue in nearly every country
- Double-digit growth in every region
- Contributors in over 100 countries
- Website is in 20 languages
- Ad sales and support offices in 13 countries

~70% of Revenue Generated Outside the United States

Stock Video Consumption Growing Rapidly

Internet Advertising Growth

Projected CAGR through 2018



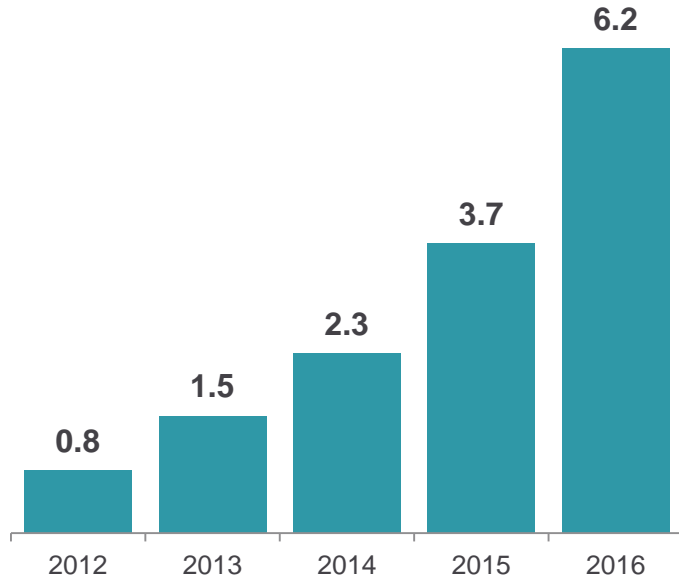
Use Cases

- On-line video advertising
- Film and television productions
- Corporate presentations

Shutterstock Video Library Has Significant Scale And Is Expanding Quickly

Number of Video Clips

(M)

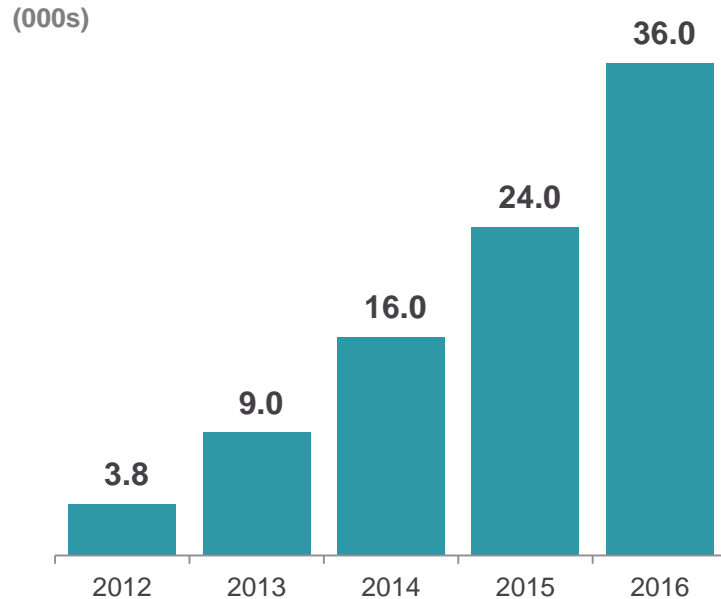


Sample Clients



Focused on Adding and Growing Enterprise Accounts

Enterprise Accounts



Key Facts

- Enterprise revenue exceeds 30% of total company revenue
- Growth from new accounts as well as higher volume on existing accounts
- Rapidly expanding sales team with sales rep productivity up 3x in year 2
- Customers who upgrade to enterprise increase annual spend 10x
- Customers spending over \$100k annually up 30% in past year

Investments in Additional Future Growth Drivers

Opportunity	Focus	Status
Premium	Premium royalty free images at higher price points	Building Offset brand and rapidly expanding image count
Editorial	Expanding into content not utilized for commercial use	Acquired Rex Features and partnered with Penske Media
Music	Building stock music library to augment video business	Acquired PremiumBeat and investing in growth areas
API	Partnering with Web leaders to extend brand awareness	Partnered with Facebook, Wix and others
Workflow	Provide tools for businesses to better manage content assets	Acquired WebDAM, launched Shutterstock Editor and continue to invest in growth areas

OFF
SET



Diversified Revenue Sources

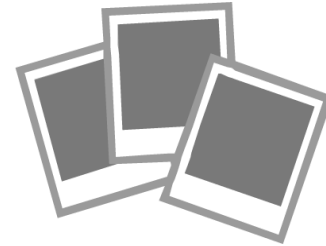
Diverse Customer Base

Top 25 Customers <2% of Revenue



Diverse Image Usage

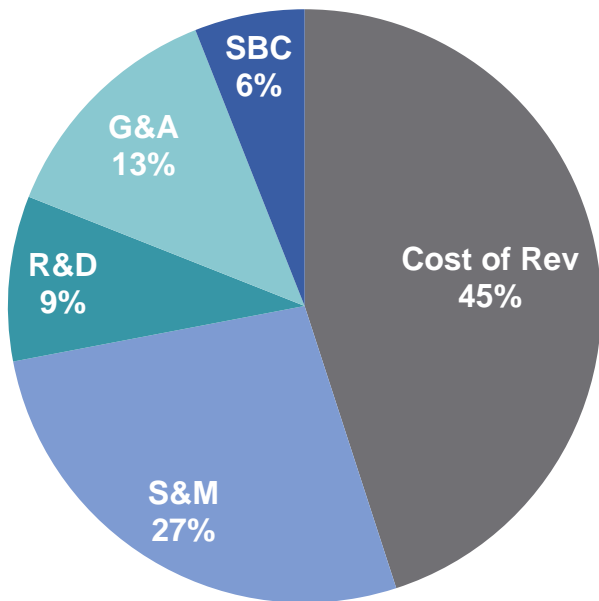
Top 25 Images <1% of Revenue



Cost Snapshot

Cost by Component (FY'16)

% of Total Expenses



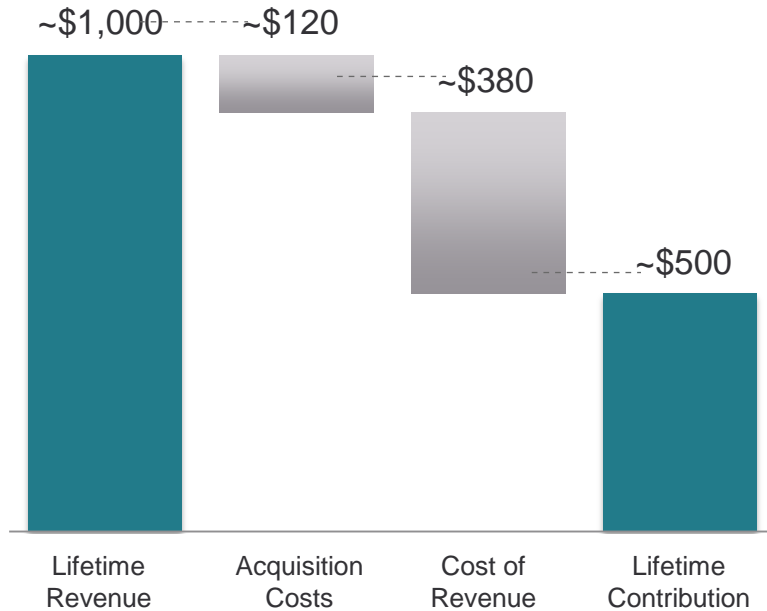
Cost Spend Controllable

% of Total Revenue

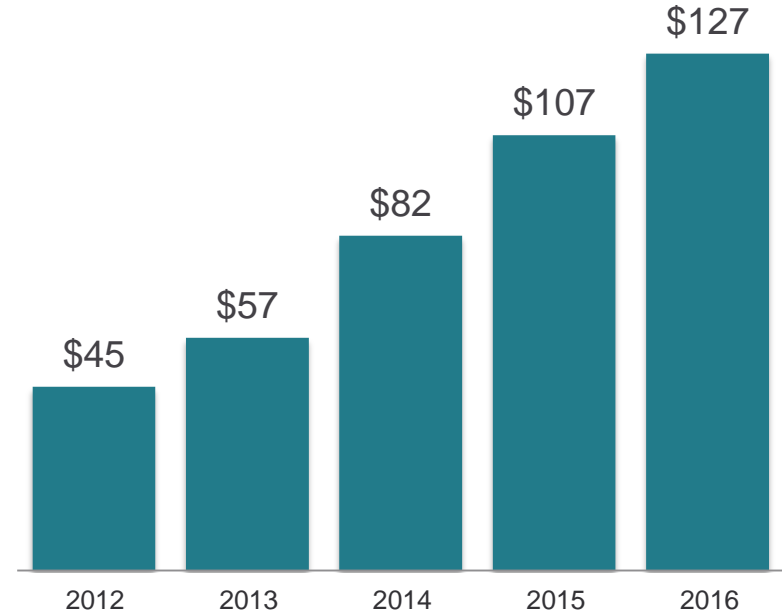
	2016	2012
Cost of Revenue	41%	38%
Sales & Marketing	25%	27%
Product Development	8%	10%
General & Administrative	12%	13%
Stock-Based Comp	6%	6%

Profitable, Scalable Customer Acquisition Model

Unit Economics



Sales & Marketing Spend (\$M)



World-Class Leadership

Executive Team

Jon Oringer Founder, CEO and Chairman

Steven Berns Chief Operations Officer & CFO

Catherine Ulrich Chief Product Officer

Marty Brodbeck Chief Technology Officer

David Giambruno Chief Information Officer

Jeff Weiser Chief Marketing Officer

Steve Ciardiello Chief Accounting Officer

Nick Flynn SVP, Sales & Account Mgmt

Ben Pfeifer SVP, Business Development

Board of Directors

Jon Oringer Founder, CEO and Chairman

Jeff Epstein Former EVP & CFO, Oracle

Thomas Evans Former President & CEO, Bankrate

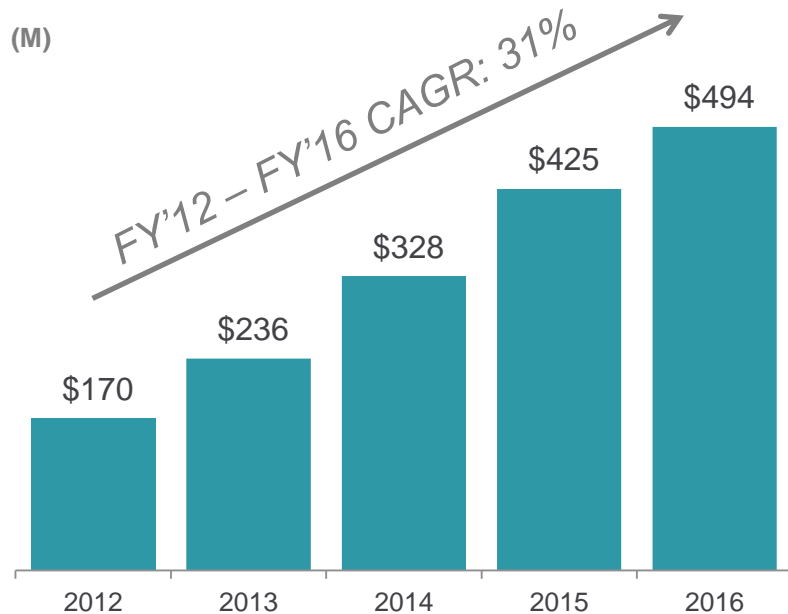
Paul Hennessy CEO, Vroom

Deirdre Bigley CMO, Bloomberg

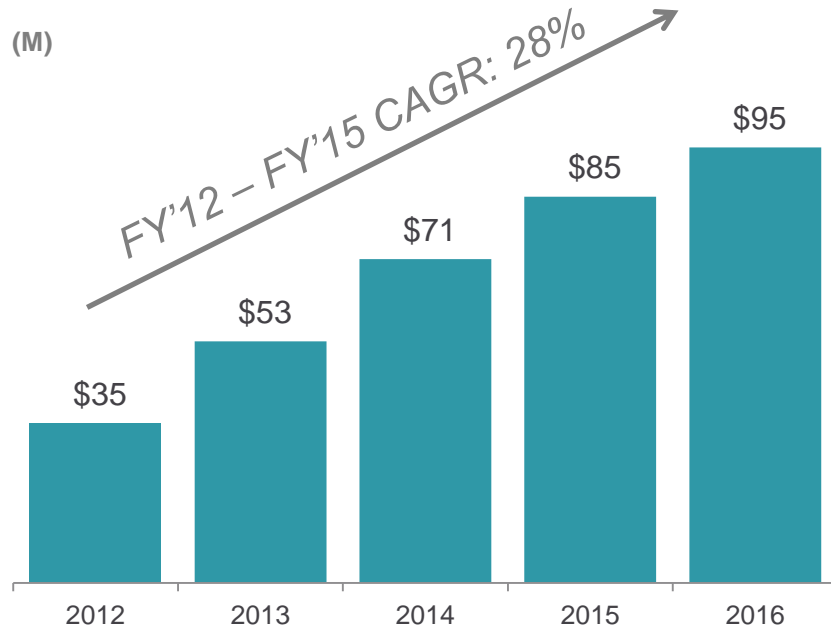
FINANCIAL SUMMARY

Strong and Consistent Financial Growth

Revenue

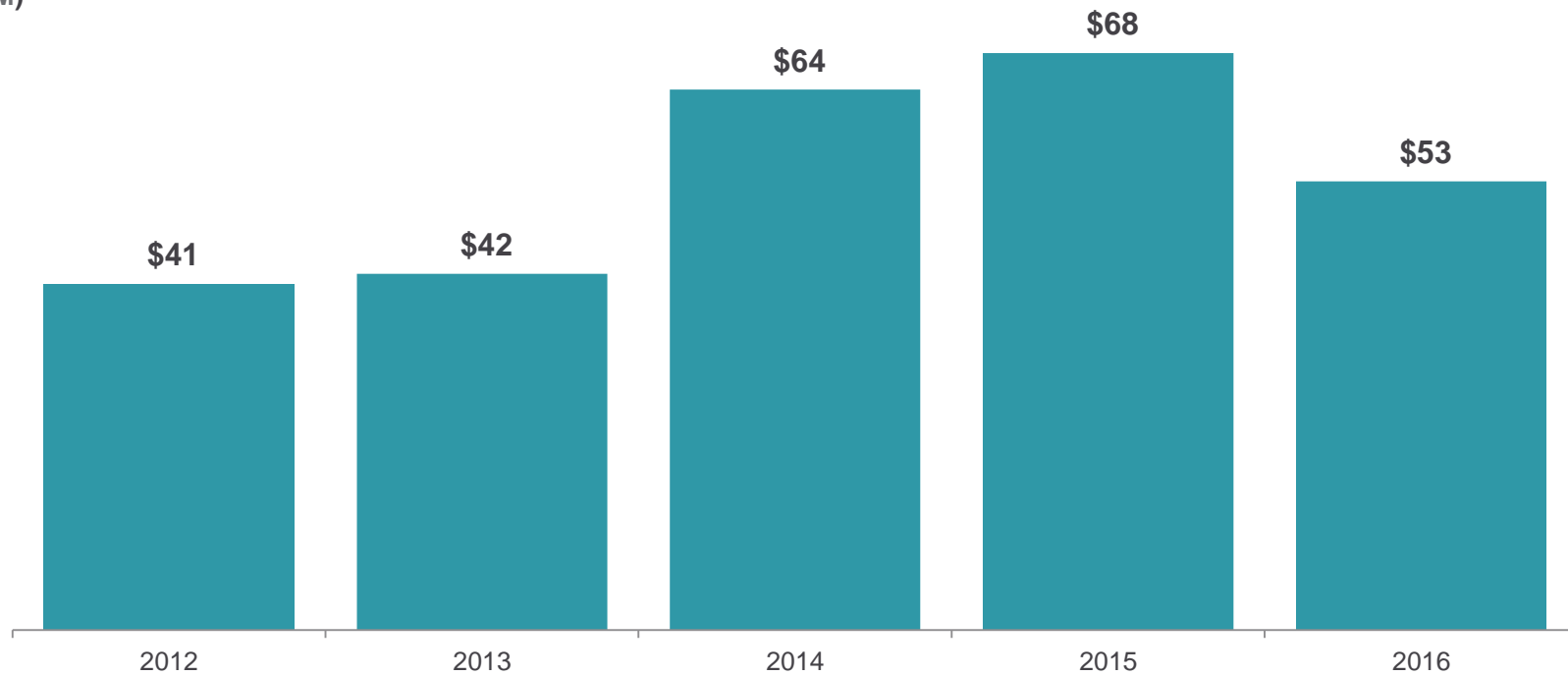


EBITDA



Generating Strong Free Cash Flow

(M)



Full Year 2017 Guidance

	2017 Guidance
Revenue	\$545 - \$560 million
Income from Operations	\$47 - \$52 million
Adjusted EBITDA	\$105 - \$110 million
Non-Cash Equity Based Comp.	~\$30 million
Capital Expenditures	~\$45 million
Capitalized Labor <i>(included in total Capital Expenditures)</i>	~\$20 million
Effective Tax Rate	Mid 30's%

Note: Guidance as of February 27, 2017.

Proprietary and Confidential

Shutterstock: Unique Business Model Delivering Real Growth While Investing In Additional Opportunities



Growing

31% revenue CAGR (2012-2016)

Increasing number of images, customers, paid downloads



Predictable

~95% annual revenue retention

Strong repeat behavior across all plans



Profitable

Profitable for 30+ consecutive quarters

High degree of control over margins

Thank y  u